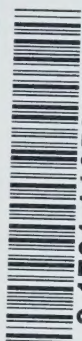


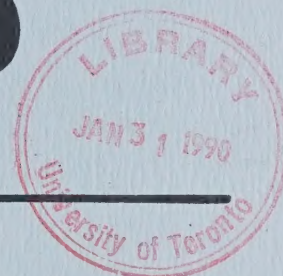
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ENVIRONMENTAL ASSESSMENT BOARD



VOLUME: 175

DATE: Thursday, January 18th, 1990

BEFORE: M.I. JEFFERY, Q.C., Chairman

E. MARTEL, Member

A. KOVEN, Member

FOR HEARING UPDATES CALL (TOLL-FREE): 1-800-387-8810

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HEARING ON THE PROPOSAL BY THE MINISTRY OF NATURAL
RESOURCES FOR A CLASS ENVIRONMENTAL ASSESSMENT FOR
TIMBER MANAGEMENT ON CROWN LANDS IN ONTARIO

IN THE MATTER of the Environmental
Assessment Act, R.S.O. 1980, c.140;

- and -

IN THE MATTER of the Class Environmental
Assessment for Timber Management on Crown
Lands in Ontario;

- and -


IN THE MATTER OF a Notice by the
Honourable Jim Bradley, Minister of the
Environment, requiring the Environmental
Assessment Board to hold a hearing with
respect to a Class Environmental
Assessment (No. NR-AA-30) of an
undertaking by the Ministry of Natural
Resources for the activity of timber
management on Crown Lands in Ontario.

Hearing held at the Ramada Prince Arthur
Hotel, 17 North Cumberland St., Thunder
Bay, Ontario, on Thursday, January 18th,
1990, commencing at 8:00 a.m.

VOLUME 175

BEFORE:

MR. MICHAEL I. JEFFERY, Q.C.	Chairman
MR. ELIE MARTEL	Member
MRS. ANNE KOVEN	Member



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I N D E X O F P R O C E E D I N G S

<u>Witness:</u>	<u>Page No.</u>
<u>JOHN ALLIN,</u> <u>KENNETH ARMSON,</u> <u>DAVID EULER,</u> <u>ALBERT BISSCHOP,</u> <u>CAMERON CLARK,</u> <u>JOHN DUNCANSON,</u> Resumed	30912
Cross-Examination by Mr. Cassidy	30912
Cross-Examination by Mr. Lindgren	30943

I N D E X O F E X H I B I T S

<u>Exhibit No.</u>	<u>Description</u>	<u>Page No.</u>
999	Extract from a document entitled: Managing Western Spruce Budworm in Oregon and Washington, dated 1988.	30968
1000	Article entitled: Managing Competing and Unwanted Vegetation, from the USA Forest Service.	30974
1001	Article entitled: The Historical Pattern of Annual Burned Area in Canada by C.E. van Wagner, 1988 June edition of Forestry Chronicle.	30991
1002	Extract from the Selected Forestry Statistics Canada, 1986, published by the Government of Canada.	31011
1003	Article entitled: An Economic Assessment of Industrial Forest Plantations, published in the Forest Ecology and Management Journal, 1984, by Roger Sedjo.	31021
1004	Extract from the monthly status report dated November, 1989, issued by the Environmental Assessment Branch.	31034
1005	Article published in Times News dated December 28th, 1989.	31117
1006	Excerpt from the Environmental Assessment Branch entitled: Class Environmental Assessments, Bump-Ups, Exemptions, Designations, dated November, 1989.	31128

1 ---Upon commencing at 8:10 a.m.

2 THE CHAIRMAN: Good morning, ladies and
3 gentlemen. Please be seated.

4 Good morning, panel. Are we ready to
5 proceed, Mr. Freidin?

6 MR. FREIDIN: Just a few brief comments,
7 Mr. Chairman. The decision having just been given
8 yesterday, there hasn't really been sufficient time to
9 assess all the implications of the decision and
10 perhaps, more importantly, to receive instructions as
11 to what response, if any, the Ministry may want to
12 make.

13 As a result, what matters are proper
14 cross-examination or direct evidence may be affected if
15 the decision is varied in another forum, but we believe
16 that the evidence should proceed, we should proceed
17 with the balance of our case so that the case of the
18 other parties can commence.

19 But having regard to the circumstances in
20 which we all find ourselves, the decision being made at
21 this particular stage of the proceedings, I would just
22 like the Board to indicate whether they agree and the
23 other parties can agree with two propositions: One,
24 that it indeed is preferable to continue with the
25 evidence and to conclude the proponent's case, and if

1 the case develops such that the proponent wishes to
2 call evidence on licensing or planning systems in
3 reply, that it will be an unfettered one and that we
4 won't be met with the argument that we have somehow
5 improperly split our case; and, secondly, by not
6 objecting to questions which might be valid objections
7 should the decision be varied - and, of course, if it
8 was varied we would have no idea in what manner - that
9 we will not in any way be deemed to have waived any
10 rights we would have in that other forum on an appeal
11 or in calling later evidence.

12 And perhaps just by way of direction as
13 well, Panel 15 did deal with the issue of planning, and
14 I raised this briefly in my comments the other day, and
15 perhaps we could benefit from some direction from the
16 Board as to whether planning, as a result of being the
17 subject matter of Panel 15, is something which should
18 be dealt with in the cases of other people in-chief as
19 opposed to cross-examination of this panel.

20 So really there is -- if you can perhaps
21 provide some assistance in relation to those matters I
22 would appreciate it.

23 THE CHAIRMAN: Okay. Ladies and
24 gentlemen, I think in view of what Mr. Freidin has
25 requested the Board to provide direction on, the Board

1 would like to take 15 minutes right now to discuss
2 amongst ourselves the implications of what you are
3 saying because it will, I think, relate to the scope of
4 the cross-examinations of the parties at this time.

5 We gave preliminary consideration to just
6 some of those questions prior to issuing the ruling
7 because we realize that it is the desire of everyone to
8 continue on with the case, but we would like to take 15
9 minutes at this time and come back and provide you with
10 further direction.

11 MR. FREIDIN: I want to be clear. The
12 only question that I was asking about in terms of
13 cross-examination was this issue of planning. Other
14 than that, I would think that we should just proceed
15 and our witnesses would do the best they could in
16 dealing with all the questions which are raised, which
17 is what they always do.

18 THE CHAIRMAN: Very well. We will be
19 back in 15 minutes. Thank you.

20 ---Recess taken at 8:15 a.m.

21 ---On resuming at 8:23 a.m.

22 THE CHAIRMAN: Thank you, ladies and
23 gentlemen. The Board has given some consideration to
24 the matters raised by Mr. Freidin.

25 Do other counsel have any submissions to

1 make, brief submissions on that?

2 Mr. Lindgren?

3 MR. LINDGREN: Mr. Chairman, two brief
4 comments. First, I believe Mr. Freidin asked for what
5 he described as an unfettered right of reply to call
6 licensing evidence. I would respectfully submit it is
7 not unfettered, in fact I would certainly reserve our
8 right to seek leave of cross-examination if necessary.

9 THE CHAIRMAN: Well, there would be
10 cross-examination in reply if he were allowed to call
11 the evidence.

12 MR. LINDGREN: What I meant to say is, I
13 would expect or at least request that some latitude be
14 given in that cross-examination based on the fresh
15 evidence that would be adduced on licensing.

16 THE CHAIRMAN: Well, I think that would
17 be understood. If it is allowed in and it is new
18 evidence and it is scheduled in reply rather than where
19 it would normally come in the case as a result of a
20 Board's ruling, the other parties wouldn't be
21 prejudiced in terms of cross-examining that new
22 evidence. I don't think that's a problem.

23 If it were allowed in in reply as well,
24 it would be expected that it would be evidence that
25 wasn't covered earlier; in other words, we would want,

1 Mr. Freidin, not to repeat evidence on licensing that's
2 already in, has already presumably been examined or
3 cross-examined upon.

4 MR. FREIDIN: No problem, Mr. Chairman.

5 THE CHAIRMAN: It would be new evidence
6 essentially.

7 MR. LINDGREN: That's fine.

8 Mr. Chairman, my second concern. Mr.
9 Freidin commented he wanted some direction from the
10 Board as to whether or not planning is not the proper
11 scope of cross-examination on this panel.

12 Mr. Freidin failed to distinguish between
13 alternatives to and alternative methods of carrying out
14 planning. I would simply suggest, Mr. Chairman, that
15 kind of broad ruling cannot be made in advance until
16 the actual questions are posed.

17 THE CHAIRMAN: Again, it is the Board's
18 view that planning was discussed to a large extent
19 generally dealing with alternative methods of carrying
20 out the undertaking in Panel 15.

21 This panel purports to deal with
22 alternatives to the undertaking. The lines between
23 those two things, I would suggest to you, are not clear
24 at all and, in deference to everybody, nobody really
25 understands, in the Board's view, what the true

1 distinctions between that kind of phraseology as used
2 in the Act really means. And I would suggest to you as
3 well that every panel that has ever had to deal with
4 those sections have essentially gone their own way in
5 what they believe those words mean.

6 So the Board and this panel is no
7 different, is unable to precisely lay down in advance
8 what constitutes an alternative to as opposed to an
9 alternative method.

10 Having said all that, I think the way
11 this panel is going to try and handle it is, that we do
12 not expect questions which were raised or could
13 properly have been raised in Panel 15 to be canvassed
14 again in this panel. If there are going to be
15 questions in cross-examination on planning it should
16 deal more properly, in our view, of what this panel
17 dealt with in its direct, as opposed to what Panel 15
18 dealt with in its direct. We don't want to just unduly
19 repeat earlier cross-examinations.

20 So we will have to go along and make the
21 rulings as the questions are asked if it becomes
22 necessary. I think that's how we will deal with that.

23 Mr. Freidin, going back to your
24 suggestion that the case proceed --

25 MR. CASSIDY: I have just a brief comment

1 with respect to one matter regarding Mr. Freidin's
2 comments, Mr. Chairman. It may be of assistance to
3 hear my submission this morning. Having received a
4 copy of the judgment last night at around four o'clock
5 approximately, the next morning we are obviously still
6 in the position of reviewing the judgment.

7 My comment this morning however in
8 respect to Mr. Freidin's position regarding his view
9 that the failure, or not taking objection to a question
10 which might be permitted as a result of the judgment
11 issued yesterday, pending review, we not wish that to
12 be taken as a waiver of positions in another forum or a
13 position that the hearing should in some respect be
14 halted pending that decision to appeal or seek review,
15 if that is the position that any party takes, and I by
16 no means want to be taken to suggest that we are
17 contemplating that at the moment, we are still
18 reviewing it.

19 In the interest of getting on with things
20 for the short term, I would not want to take my not
21 objecting to a question posed by another party in
22 cross-examination as a waiver of that position.

23 THE CHAIRMAN: No. The Board's position
24 is parties in any case, when a Board renders rulings on
25 interpretations of the statute or law, et cetera, have

1 the right to take up the matter, if they don't agree
2 with the Board's ruling, in another forum.

3 It is not the intention of the Board to
4 halt these proceedings until anything is decided
5 elsewhere. We think it is in the public interest to
6 continue on with this hearing expeditiously, we have no
7 intention of adjourning until the matter is heard
8 elsewhere and do not intend to curtail this hearing
9 until, in effect - if such should come down - an order
10 of prohibition comes down from above in which case, of
11 course, we will abide by whatever order comes down.

12 But failing an order from a court to stop
13 these proceedings, we intend to proceed on, and any
14 party that wants to take up the matter in another forum
15 is free to do so and this Board will not regard their
16 failure to question anything before us as a waiver to
17 any position they may wish to take in a court.

18 MR. CASSIDY: Mr. Chairman, perhaps I
19 should make myself more clear, it may be a fact of the
20 early morning.

21 I have not had an opportunity to review
22 the decision, I have also not had a chance to review
23 the relevant portions of the Judicial Procedure Act
24 which might govern the proceedings in the future but,
25 as I understand it, there may be some discretion - and

1 I think you have alluded to that implicitly in your
2 comment - there may be some discretion in the Board,
3 after hearing argument, that it should do so to suspend
4 the hearings pending a review in another forum.

5 And what I am suggesting is, I don't want
6 to make any argument that that should be done in
7 advance of reviewing a decision, and three days from
8 now I may come to you and make that argument and ask
9 you to exercise that discretion, and I would not want
10 our continued presence in the hearing between now and
11 then to constitute a waiver in this forum. So that I
12 might come before you and try and convince you, albeit
13 perhaps unsuccessfully, but perhaps convince you of
14 that fact.

15 THE CHAIRMAN: Well, we understand that.
16 I was just attempting to allude to the fact that this
17 is not the first time this has occurred in proceedings
18 before the Environmental Assessment Board itself and
19 the general practice of the Board is to continue on,
20 unless prohibited from doing so by a court order, as
21 opposed to adjourning just because parties wish to have
22 a particular ruling judicially reviewed.

23 Now, having said that, if you can
24 convince us in a particular case on particular facts
25 that another position should be adopted by the Board,

1 we would of course be open to be persuaded, but I guess
2 in advance we are just indicating that you will have to
3 be very persuasive.

4 MR. CASSIDY: I can't even tell you I am
5 going to come to you with that, Mr. Chairman, until we
6 review it.

7 THE CHAIRMAN: Okay. Thank you.

8 Mr. Freidin?

9 MR. FREIDIN: Thank you, Mr. Chairman.

10 MR. CASSIDY: I think I am up next, Mr.
11 Chairman.

12 THE CHAIRMAN: I am sorry. Yes, you are,
13 Mr. Cassidy.

14 JOHN ALLIN,
15 KENNETH ARMSON,
16 DAVID EULER,
17 ALBERT BISSCHOP,
CAMERON CLARK,
JOHN DUNCANSON, Resumed

18 CROSS-EXAMINATION BY MR. CASSIDY:

19 Q. The first question I have is directed
20 toward Mr. Bisschop and it relates to evidence you
21 gave, Mr. Bisschop, in respect of a proposed amendment
22 to the Ministry's draft terms and conditions, Exhibit
23 700, and I believe it is term and condition 25 that you
24 gave evidence in respect of.

25 And the notes I have in respect of your

1 evidence on that term and condition, as I understand
2 it, you are going to and the Ministry of Natural
3 Resources is now amending that term and condition or
4 that draft term and condition to suggest that the
5 Minister of the Environment now should have 45 days
6 from the receipt of your Ministry's response to the
7 bump-up request in which to make a decision on that
8 bump-up request.

9 Is that a fair capsulation of your
10 evidence?

11 MR. BISSCHOP: A. Yes, that's correct.

12 Q. It occurs to me, sir, that in the way
13 the term and condition is drafted, in light of that
14 amendment, that there would not be a corresponding time
15 frame stated in which the Ministry of Natural Resources
16 would be required to provide the Minister of the
17 Environment with their position so that that 45-day
18 period would then kick in, their position on the
19 bump-up request.

20 And I am wondering, sir, if I were to
21 suggest to you that the term and condition 25(c) should
22 be amended to include that, if you would consider that
23 to be a reasonable request.

24 And specifically I have in mind a
25 period - and I will leave it up to the Ministry to

1 redraft its own term and condition - but I am
2 suggesting to you, sir, that there be a 30-day time
3 frame within which the Ministry of Natural Resources is
4 to provide a position to the Ministry of the
5 Environment upon receipt of a bump-up request.

6 Would you consider that to be a
7 reasonable alteration to the term and condition?

8 A. I think it is a reasonable
9 consideration. Whether or not 30 days is the response
10 period is something I think we would want to think
11 about. Obviously, it would be in our best interest to
12 respond as quickly as possible, and whether we need 30
13 days is something we'd have to consider.

14 Q. Well --

15 A. But it's a reasonable proposition,
16 yes.

17 Q. The 30-day time frame is a reasonable
18 proposition?

19 A. The idea of a minimum response period
20 is a reasonable proposition. 30 days sounds
21 reasonable, it fits with many of the response periods
22 that we've indicated.

23 Q. Thank you.

24 THE CHAIRMAN: Mr. Bisschop, on that
25 question, have there been negotiations with the

1 Ministry of the Environment as to what happens when the
2 Minister of the Environment decides to refer a bump-up
3 request to the EAAC, to the Environmental Assessment
4 Advisory Committee which, as I understand the
5 procedure, has the right if it deems it necessary to
6 hold public hearings on that bump-up request.

7 And the way your condition 25(c) is
8 worded, even with the amendment regarding the 45-day
9 period, it doesn't even seem to contemplate that there
10 might be a referral by the Minister of the Environment
11 to EAAC.

12 And I am not sure that if there was a
13 referral you would be anywhere near the 45-day period
14 from receipt of the bump-up request for the Minister of
15 the Environment to be able to make a decision on the
16 bump-up request because, as I further understand the
17 procedure, once it is referred to EAAC, he does not
18 make that decision until he has the recommendation from
19 EAAC. He is not obliged or bound to follow that
20 recommendation, but I believe the practice is he will
21 not issue a decision, having referred it to EAAC,
22 without awaiting their response or their
23 recommendation.

24 So I just suggest to you that before
25 anything is finalized with that draft condition those

1 considerations should be taken into account.

2 Ms. Seaborn, you might advise your client
3 or meet with Mr. Freidin on that issue at some point.

4 MS. SEABORN: We certainly will, Mr.
5 Chairman.

6 MR. BISSCHOP: I'm not personally aware
7 of any discussions that have gone on between the two
8 ministries. I don't believe there have been. I
9 certainly haven't been involved in any, but it's a
10 reasonable subject to discuss.

11 THE CHAIRMAN: Well, since it is really
12 the responsibility of the Minister of the Environment
13 and it is the draft conditions put forward by MNR, at
14 some stage of the game the Ministry of the Environment,
15 if it had to carry out the decision-making role, should
16 be agreeable and presumably that Minister will want to
17 consider it in the light of his own policy.

18 MR. FREIDIN: We will take that matter
19 under advisement, Mr. Chairman, and discuss it further
20 with the Ministry of the Environment.

21 THE CHAIRMAN: Thank you.

22 MR. CASSIDY: Q. Mr. Bisschop, just to
23 conclude on my question. I take it since you have
24 agreed that it is reasonable to have a time frame
25 stated in which for the Ministry to respond to a

1 bump-up request or provide its response to the Ministry
2 of the Environment, I take you can't think of any
3 reason why there shouldn't be any such condition in
4 your terms and conditions?

5 MR. BISSCHOP: A. No, I can't see any
6 reason why there shouldn't.

7 Q. Now, I want to turn to you, Mr.
8 Duncanson, and I want to flip you -- turn you to
9 Exhibit 991. It's early in the morning to be flipping
10 anything.

11 MR. DUNCANSON: A. What was 991?

12 Q. 991 is that article from the
13 Chronicle Journal filed by Mr. Edwards.

14 THE CHAIRMAN: We don't have that for
15 some reason.

16 MR. CASSIDY: Well, I'm going to read a
17 portion of it and --

18 THE CHAIRMAN: We recall, this is on the
19 new paper --

20 MR. CASSIDY: The \$175-million
21 expenditure.

22 THE CHAIRMAN: Right.

23 MR. CASSIDY: Q. Do you have it, Mr.
24 Duncanson?

25 MR. DUNCANSON: A. Yes.

1 Q. Do you have it there?

2 A. Yes, I do.

3 Q. Thank you. There is a portion of it
4 which Mr. Edwards I don't believe read and I want to
5 see if you agree with the portion of it in the article
6 where it states that the president of the company who
7 was going to collect the newspapers, the waste paper
8 said that it will get the used paper primarily
9 from American Curbside Selection Programs, and I am
10 quoting:

11 "In the areas where CP Forest ships its
12 newsprint, New England and the U.S.
13 Midwest..."

14 I take it you agree with that statement?

15 A. Yes, I agree.

16 MR. CASSIDY: If you want to see my copy.

17 Q. Would you agree then that what we
18 have is a scheme where paper is being shipped down and,
19 if I can use the word, virgin paper or original paper
20 is being shipped down from a mill in northern Ontario
21 to a customer and this mill is effectively now taking
22 that paper back and completing the recycling cycle or
23 the loop and it is, in fact, a natural loop in your
24 view?

25 MR. DUNCANSON: A. Yes.

1 Q. Okay. And I guess that fits in with
2 your concept of it being a landfill problem, waste
3 paper being a landfill problem. So what CP Forest
4 Products is doing then is, in many respects, simply
5 taking back their paper which it has sent down to its
6 primary customers and rather than it going into a
7 landfill, it is taking it back into its mill for
8 recycling?

9 A. That's correct.

10 Q. Is it also your understanding, Mr.
11 Duncanson, that in addition to these sources that CP
12 Forest Products intends to get and use whatever waste
13 paper that it can obtain from northern Ontario sources?

14 A. Yes, that's correct.

15 Q. And, in fact, that waste paper
16 facility or that recycling facility that's mentioned in
17 this article would be capable of using every single
18 scrap of waste paper that could be obtained from
19 northern Ontario?

20 A. That's correct.

21 Q. I understand, if I can flip you --
22 turn you again to Exhibit 988A, which I think is the
23 update of your Table 3.

24 MR. CASSIDY: Does the Board have that
25 exhibit? I think Ms. Devaul was under the impression

1 that these exhibits were before you this morning.

2 MRS. KOVEN: Is that Exhibit 988?

3 MR. CASSIDY: 988A, Table 3.

4 THE CHAIRMAN: Yes, we do.

5 MR. CASSIDY: Thank you.

6 Q. You've indicated that there appear to
7 be a couple of new mills opening in southern Ontario.
8 When I say mills, I mean waste paper consuming mills,
9 one at Atlantic Packaging in Whitby and a Fraser mill
10 in Thorold. I take it that, in your view, those new
11 expansions are designed to address the landfill
12 recycling issue in southern Ontario?

13 MR. DUNCANSON: A. That is correct.

14 Q. And that most of the raw material
15 they will use will come from southern Ontario; is that
16 correct?

17 A. That's correct.

18 Q. So we have CP Forest Products in the
19 north taking whatever it can get from areas where it
20 primarily supplies, and taking whatever it can get by
21 way of raw material from northern Ontario, and we have
22 new mills opening in southern Ontario in addition to
23 the ones already opening or are already opened that are
24 going to address the landfill problem in southern
25 Ontario?

1 A. That's correct.

2 Q. And I take it that you would agree
3 that a \$175-million expenditure on recycling is an
4 indication of a commitment to the issue of landfill and
5 recycling in general?

6 A. I would.

7 Q. And would you agree with me that that
8 would, in your view, be a significant commitment or a
9 significant indication of commitment to that issue?

10 A. Yes, I would.

11 Q. I guess that sounds like a lot of
12 money to you to, is what I am asking you?

13 A. It's a lot of money that basically
14 won't increase, you know, the net profitability of the
15 company.

16 THE CHAIRMAN: When you say it won't
17 increase the net profitability of the company, is
18 there, Mr. Duncanson, any financial incentives provided
19 to government by way of tax breaks or other areas that
20 the government says: If you get into areas like
21 recycling we are going to give you some kind of
22 financial break, not assistance or grants necessarily,
23 but I am thinking particularly of tax or other
24 financial incentives that government might provide?

25 MR. DUNCANSON: Yes. I'm not aware of

1 any particular grants on the individual projects that
2 I've outlined, but there is -- definitely the tax
3 structure in the country does allow for a faster
4 write-off of the assets.

5 THE CHAIRMAN: Capital cost allowance.

6 MR. DUNCANSON: Capital cost allowance.
7 It's a faster write-down and these would be considered
8 as environmental, it's a loose term in the tax laws.
9 There would be a faster write-down. So that is one
10 advantage the companies do have.

11 THE CHAIRMAN: So it is not fair or
12 reasonable just to look at direct profitability, there
13 may in fact be indirect advantages to industry to
14 proceed down this route?

15 MR. DUNCANSON: That's the only -- would
16 be considered the only advantage. That would affect
17 their cashflow position, of course, and so -- you know,
18 but in the position they are in right now with slightly
19 lower profitability, as we had indicated that we were
20 expecting in Panel 5 and is actually in place today,
21 the return on the investment in most cases, in studying
22 the industry, is well below the return of an investment
23 level the company would normally accept for capital
24 expenditures. So it's well below sort of the industry
25 average.

1 MR. CASSIDY: Q. Mr. Duncanson, I take
2 it you would agree that the landfill issue that you
3 have referred to is one that a number of other
4 industries, such as other manufacturing industries or
5 even the tourism industry, is also going to have to
6 address to deal effectively with the landfill issue?

7 MR. DUNCANSON: A. What was the other
8 industry you mentioned in your sentence?

9 Q. Any other manufacturing industry or
10 perhaps even the tourism industry are some of the other
11 industries that are going to have to address the
12 recycling issue in order to effectively address the
13 landfill issue?

14 A. Yes. The other industries that are
15 being affected immediately in this current situation
16 are the packaging companies, in particular the
17 packaging product companies, glass or metal.

18 Q. Glass.

19 A. Aluminum.

20 Q. So, in other words, paper recycling
21 is just one part of the landfill issue; is that right?

22 A. That is correct.

23 Q. Would you agree with me then, in
24 light of the expansions that you've referred to and as
25 further illustrated by Mr. Edwards' Exhibit 991, that

1 any press reports that portray the industry as not
2 expanding to meet capacity requirements for recycling
3 are inaccurate?

4 A. I would agree with that.

5 Q. Mr. Duncanson, I will come back to
6 you I believe on that matter, but I would like to turn
7 you to page 46 of your witness statement which is
8 Exhibit 984.

9 MR. CASSIDY: That is the Panel 17,
10 Members of the Board.

11 Q. Page 46.

12 MR. DUNCANSON: A. I have it.

13 Q. I want to direct you to the third
14 bulleted point there which begins with:

15 "Present profit levels, investment
16 potential for capital improvements and
17 product market projections for the next
18 10 to 12 years are excellent for the
19 paper and allied industries."

20 And I just want to ask you if you still
21 hold that view today in light of the fact that this
22 witness statement was written almost a year ago to the
23 day?

24 A. Yes, I still agree with that.

25 Q. I want to turn you then to the next

1 page, which is page 47, and I am interested in the
2 first bulleted point, or first full point on that page.
3 And it simply reads:

4 "The other trend which may continue is an
5 increasing reliance upon forest-related
6 manufacturing activity in the north."

7 And I was wondering if you can explain to
8 me why you feel there is an increasing reliance upon
9 forest-related manufacturing activity in the north?

10 A. I think it was a -- the statement was
11 used in a relative context.

12 Q. To other industries?

13 A. To other industries in the north. I
14 firmly believe the forest industry is expanding and I
15 think it's witnessed by the capital expenditures we
16 outlined in Panel 5 to quite detail.

17 On top of, since Panel 5, there have been
18 a number of new projects that have not come up in our
19 lead, the new pulp mill in Thunder Bay that is waiting
20 for environmental improvement -- approval, I should
21 say, just this recycling plant will -- you know, it's
22 further capital expenditure in Thunder Bay.

23 So I think that the forest industry on
24 whole will increase as far as manufacturing activity
25 and, in our analysis, the other principal activities in

1 the north, primarily the manufacturing activities, will
2 probably remain static.

3 So, on a relative basis, in our opinion,
4 the forest industry will, you know, continue to
5 increase its importance in the overall northern
6 economy.

7 Q. The other industries, can you give me
8 some idea of what ones you have in mind?

9 A. Primarily the mining, some of the
10 secondary manufacturing, equipment, assembly thing, you
11 know, items such as -- it's fairly fragmented. It's
12 detailed more specifically in our Panel 5 witness
13 statement.

14 Q. I am not asking you to repeat it, I
15 just wanted to make some context out of that. When you
16 say other industries may remain static, as opposed to
17 what I think you're indicating are continued
18 developments in the forest products industry, when you
19 say 'they remain static', is it possible they may even
20 decline?

21 A. That is hard to forecast. It's a
22 little out of my realm of expertise, but it does not --
23 just in monitoring the situation, it does not appear
24 that some of the other manufacturing sectors are
25 getting the type of capital investment that we are

1 seeing the paper and the forest products getting.

2 Q. I want to move on then, Mr.

3 Duncanson, to page 50 of your witness statement,

4 Exhibit 984, and this is I believe under the

5 alternative A discussed, the private land or import

6 alternative, and I think it's also described as the

7 null alternative, and I take it that is the alternative

8 where there is no timber management.

9 And you indicate in the fourth bulleted
10 point on page 50 that in that scenario:

11 "Job losses in the forest products
12 industry relative to total employment
13 would be greatest in northern Ontario."

14 You indicate that:

15 "Most of the manufacturing base of
16 northwest Ontario would in fact collapse,
17 as would the manufacturing base of many
18 communities in northeastern Ontario."

19 Is it fair to assume that if the forest
20 products industry manufacturing sector were to
21 collapse, is it fair to assume, as I think it is, that
22 there would be a drastic reduction in the standard of
23 living of the people living in northeastern and
24 northwestern Ontario?

25 A. Yes, we believe there would be.

1 Q. Now, if the level of the
2 forest-related manufacturing activity in northern
3 Ontario is reduced as a result of, say, a decision of
4 this Board or some other factor, would it be fair to
5 assume that there would also be a reduction in the
6 standard of living of the people northern Ontario?

7 A. I believe so.

8 Q. Now, I want to move to page 48.

9 MR. CASSIDY: And if I could just have a
10 minute, Mr. Chairman.

11 Q. Yes, in the second bulleted paragraph
12 you indicate, Mr. Duncanson, that:

13 "The industry, especially the paper and
14 allied group is in the process of
15 completing a major "round" of investments
16 in modernization which should improve its
17 competitiveness."

18 Without repeating any evidence that was
19 given in Panel 5, can you tell me what you define as a
20 major round of investments in that context focusing on
21 the word 'major', what do you define that as?

22 MR. DUNCANSON: A. Well, I would have to
23 refer back to the actual numbers in Panel 5, but I
24 think it was - I can't remember the exact - million
25 dollar, billion dollar level that was in Panel 5, but

1 that is what I meant by major.

2 Q. Okay.

3 A. If you allow me, I can refer right
4 back.

5 Q. Well, if you can do it quickly, that
6 is fine.

7 A. It's primarily outlining the projects
8 on page 201 of Panel 5 where I identified by mill,
9 actually by machine in some cases, the amount of
10 capital expenditures and in that particular table on
11 page 201 the total expenditure between '82 and '87,
12 which was the period we had at that time, that was
13 written two years ago, was 1.5-million Canadian. That
14 is what I mean by major.

15 Q. All right, thank you. I want to now
16 turn you to page 44 of your witness statement.

17 THE CHAIRMAN: You don't seem to be going
18 forward, Mr. Cassidy.

19 MR. CASSIDY: Well, I have always taken
20 the position that I am not bound by the order in which
21 the examination-in-chief proceeds, but this was
22 probably the last point on the actual witness
23 statement, in fact it is, and I can advise you I'm
24 probably going to be about another five minutes.

25 We will probably be finished our

1 cross-examination by 9:00 a.m. for the first time in my
2 life.

3 THE CHAIRMAN: It's probably the first
4 time in your life you ever started a cross-examination
5 before 9:30.

6 MR. CASSIDY: I am tempted to phone
7 Toronto and ask them what they have done by nine
8 o'clock.

9 Q. You indicate in your witness
10 statement, Mr. Duncanson, that - I believe these are
11 your words:

12 "From a regional perspective, the forest
13 products industry is particularly
14 important."

15 And then you go into a discussion in
16 respect of northeastern and northwestern Ontario.

17 Would you agree with this comment: Not
18 only is it particularly important, would you agree, is
19 it fair to say, that the forest products industry is
20 critical to the economic well-being of northern
21 Ontario?

22 MR. DUNCANSON: A. Based on the direct
23 employment and the multipliers that we indicated in
24 Panel 5, yes, it is critical to the economy.

25 Q. Thank you. I want to turn to you

1 now, Mr. Bisschop, and finish off this morning with
2 something in your evidence in which you have indicated
3 that the Ministry is proposing a review of this class
4 environmental assessment contemplated approval at the
5 end of five years.

6 And, as I understand your evidence, you
7 indicated that there would be -- a reason for that time
8 frame is that the planning process will have, by that
9 time, run through the five-year process and you will be
10 able to judge the planning process at that point
11 having had the benefit of one full cycle of it.

12 Is that a fair statement of your
13 evidence?

14 MR. BISSCHOP: A. That's a fair
15 summation of the position for five years, yes.

16 Q. Okay. Would you agree with me then
17 that that is essentially a planning rationale, or an
18 administrative rationale, or a reason for the Board to
19 review based on how you plan as opposed to a biological
20 rationale for this time frame?

21 A. Yes, I'd agree.

22 Q. Do you see, sir -- I think you are a
23 forester; are you not?

24 A. I would like to say I have a degree
25 in forestry, I am not sure that others would agree I am

1 a forester.

2 Q. I just want to make sure -- he said
3 it, I didn't. I just want to make sure I am asking the
4 right person the question.

5 Do you see in the context of a 60 to
6 80-year rotation or even longer that there will be any
7 significant biological changes in the state of the
8 forest such that a review process is necessary at the
9 end of five years?

10 A. Could you rephrase that, I am not
11 sure I understand the question.

12 Q. In the context of a 60 to 80 or even
13 longer rotation for most of the species in Ontario, do
14 you see any significant change -- significant
15 biological changes in the state of the forest at the
16 end of five years such that a review process would be
17 worthwhile from that perspective?

18 A. A review process for biological
19 reasons?

20 Q. Is the Board going to see any
21 significant change in five years in the state of the
22 forest as opposed to the state of the planning in the
23 context of a 60, 80 or even longer year rotation?

24 A. In my opinion, no.

25 THE CHAIRMAN: Well, Mr. Bisschop,

1 although somebody looking at it may not see the
2 biological change, would you not agree that, for
3 instance, if there was an inappropriate regeneration
4 effort during a five-year period that you are
5 nevertheless at the end of the rotation period losing
6 five years, four years, three years of what could have
7 been corrected if you don't review it, if your
8 increments are only a few years?

9 MR. BISSCHOP: I think, if I were to put
10 it in --

11 THE CHAIRMAN: It's almost a free to grow
12 situation for some species. If you planted in year
13 one - I know it's seven to eight years usually for the
14 free to grow period - but you could be losing, for
15 instance if you planted in the situation where most of
16 your plantings were wiped out for whatever reason, a
17 certain element of being able to correct a problem;
18 would you not?

19 MR. BISSCHOP: If I were to put it in the
20 context of a timber management plan, for example, the
21 review of the effort directed towards regeneration
22 during a five-year period, if that review indicated
23 that there was insufficient efforts, corrective action
24 would have to be taken and the sooner the better.

25 THE CHAIRMAN: You don't just look to the

1 end of the rotation period, you have to look from when
2 you start your efforts and when something is advisable
3 from those efforts which, in the case of planting,
4 might be the second season; would you not agree?

5 MR. BISSCHOP: I would agree.

6 MR. CASSIDY: Q. You are not suggesting
7 that we have to come back at the end of the second
8 season; are you, Mr. Bisschop?

9 MR. BISSCHOP: A. No, I am not.

10 Q. You mean, at some point there has got
11 to be a review, I think is what your evidence is;
12 right?

13 A. That's right.

14 Q. And you have picked the five-year
15 period because it's the end of a planning period;
16 right?

17 A. That's correct.

18 Q. But there is no magic biologically
19 from a regeneration perspective or from any other
20 perspective in the state of the forest at the end of
21 five years that might not exist at the end of two
22 years, or might not exist at the end of 10 years?

23 A. I would agree with that.

24 Q. Thank you.

25 THE CHAIRMAN: Mr. Bisschop, let's ask

1 the further question. When, from a biological
2 perspective - forget the planning - would you suggest
3 that the review should take place if it's not five
4 years? What period should it be?

5 MR. BISSCHOP: I am not really sure I can
6 put a time to that, Mr. Chairman.

7 THE CHAIRMAN: Mr. Armson?

8 MR. ARMSON: Mr. Chairman, I think the
9 fact that in a number of jurisdictions where timber
10 management, timber management planning has been used
11 for literally many, many decades, if not more than half
12 a century, the fact that a 20-year period is not an
13 uncommon one for "the overall term of a management
14 plan", I think has some bearing, this is dealing with
15 north temperate forests I'm speaking of. I think that
16 that gives some dimension.

17 Yes, depletions and additions will take
18 place to the forest growing stock, but when you are
19 dealing with a very large growing stock, then the
20 amount of depletions or additions on a year-by-year
21 basis, yes, they can be significant locally, but if you
22 took the provincial forest and they are lost in a
23 sense, and that would certainly on a longer term -- and
24 I think again, the fact that this province adopted a
25 20-year cycle for the inventory, as Dr. Osborn

1 explained, is a significant factor. It doesn't mean
2 that you don't want to keep your bookkeeping up
3 annually, but that is a order of dimension, and I think
4 that would be my...

5 THE CHAIRMAN: Thank you.

6 MR. CASSIDY: Q. So, as I understand
7 what you are saying, Mr. Armson, you said that you may
8 see justification for a longer period of time to allow
9 for a better adjudication by this Board or of a review
10 as to the additions or accruals to the forest, you mean
11 that five years may not be long enough for the Board to
12 make an intelligent judgment on those factors?

13 MR. ARMSON: A. No, I think an
14 intelligent judgment can be made, but I think it has to
15 be put in the context at the scale of the province. At
16 a local scale, obviously with a management unit, you
17 are very much aware of the impact of a major depletion,
18 whether it be harvesting by man or by nature.

19 Q. But if the Board were to look at it
20 from a provincial perspective, that would be another
21 story; at five years it might not be possible?

22 A. I would suggest that at five years
23 you would see very little change at the provincial
24 level unless there was some sort of catastrophe of
25 dimension that would be contemplated.

1 MR. CASSIDY: Thank you, sir.

2 MR. MARTEL: Could I ask Mr. Armson
3 something. Is it really in the best interests of
4 society to look at it only on a provincial level as
5 opposed to looking at it closer, to the actual place
6 where the action is?

7 MR. ARMSON: Oh, Mr. Martel, I am not
8 suggesting that society only look at it at that level.
9 I am suggesting there are a series of levels, there is
10 the provincial and the subprovincial, if you will,
11 regional and the unit basis and I am not by any way
12 suggesting that you only look at one of those; in fact,
13 I would say that you wouldn't look at only one of
14 those.

15 MR. CASSIDY: I have no further
16 questions, sir.

17 THE CHAIRMAN: Just to clarify one more
18 thing. Are we not dealing with this review business of
19 reviewing, if approval were granted by this Board, the
20 Class EA situation as opposed to reviewing individual
21 timber management plans?

22 As I understand what we are talking
23 about, or what we could be talking about is taking a
24 look at an approval from this Board resulting from this
25 hearing on the planning process, the Class EA planning

1 process with respect to the activities and a bunch of
2 terms and conditions would supposedly be applied as
3 well, and then five years down the road having perhaps
4 a further review of that planning process as opposed to
5 reviewing individual results of timber management plans
6 that might have been approved in the interim.

7 What kind of review are you talking
8 about, Mr. Cassidy?

9 MR. CASSIDY: Well, I didn't propose the
10 review, Mr. Chairman, they did. I am trying to find
11 out what the kind of review is. And if you are talking
12 about a planning process review, that is one thing; if
13 you are talking about -- if the Board is going to try
14 and make - and I think Mr. Armson has quite fairly
15 stated the proposition - if the Board is going to make
16 any intelligent judgment as to the state of accruals
17 and additions to the forest, it may not be possible to
18 do that at the five-year basis other than on a local
19 basis. I think that is the substance of what Mr.
20 Armson is saying, and that certainly is what I am
21 instructed is in fact the position.

22 And, therefore, if this Board has the
23 impression that it's going to be able to do that at
24 five years, it would be my client's impression it may
25 not be possible, in light of what Mr. Armson has said.

1 And it all gets thrown into the hopper
2 for the Board to think about at the end of the day when
3 they decide what they want to do in five years time, is
4 the purpose of that question, at the end of the day,
5 being the end of this hearing.

6 THE CHAIRMAN: Well, I am not sure that
7 the Board decides anything with respect to reviewing
8 the matter in five years. That is a decision, I would
9 suggest, of the Minister of the Environment as to
10 whether or not there will be (a) another environmental
11 assessment with or without a hearing, or (b) the
12 minister may just review the performance of the
13 Ministry of Natural Resources in light of an approval
14 granted by this Board in this hearing--

15 MR. CASSIDY: Fair enough, sir.

16 THE CHAIRMAN: --arising out of this
17 application. I don't think it's the Board's
18 jurisdiction to talk about whether or not the Board is
19 going to review its approval at some further time down
20 the road, because the Board gets its jurisdiction or
21 authority only upon a referral from the Minister.

22 MR. CASSIDY: Fair enough, sir. What I
23 am suggesting is, there is a term and condition which
24 contemplates a review -- a proposed term and condition
25 which contemplates a review by the Ministry of Natural

1 Resources, and if the position is that the Board is
2 somehow to adopt that either as a recommendation to the
3 Minister outside a term and condition, the Minister of
4 the Environment, I think it would be instructive for
5 the Board to have before it a concept of what it might
6 possibly review.

7 THE CHAIRMAN: I think the Minister would
8 agree in this hearing to conduct a review and undertake
9 to do so within a specified period of time; that is,
10 the Minister of the Environment, if it so agrees.

11 Any condition that is supposed to go into
12 or put forward by the Ministry of Natural Resources as
13 part of suggested conditions of approval that impact in
14 any way upon the discretion of the Minister of the
15 Environment, I would suggest, would require the
16 Minister of the Environment's consent and undertaking
17 at this time, and presumably we are going to get the
18 submissions of the Ministry of the Environment -- or
19 sorry, of Ms. Seaborn and Mr. Campbell on behalf of the
20 Minister of the Environment as to whether or not he's
21 prepared to assent to a condition being put in any
22 approval by this this Board.

23 If the Minister of the Environment fails
24 to assent to that, I would suggest that the Board does
25 not have the jurisdiction to impose it because it's

1 very clearly his discretion as to whether or not he's
2 going to conduct any further review or, in effect,
3 decide whether or not there is going to be any further
4 environmental assessment hearing.

5 MR. CASSIDY: I may not have stated it as
6 accurately as I might have. Term and condition 61
7 contemplates that the MNR shall prepare a review and
8 submit it to the Ministry of the Environment who will
9 then do the very things that you have just referred to.

10 And the point of my questioning this
11 morning has been to suggest to the Board that that
12 review should be taken in the light of Mr. Armson's
13 comments, the review that the Ministry of Natural
14 Resources is proposing to undertake, and the Board,
15 therefore, should not be under some elusion that the
16 review will be able to do the things other than what
17 Mr. Armson indicated. That was the point of my
18 question.

19 THE CHAIRMAN: But that is review by the
20 Ministry of Natural Resources.

21 MR. CASSIDY: I understand that, sir.

22 THE CHAIRMAN: Yes.

23 MR. CASSIDY: And they are asking you to
24 make that a term and condition that they should do
25 that. I think it's instructive for you to know what

1 could be done in the context of that review.

2 THE CHAIRMAN: But it's a different
3 question when we are discussing what happens with that
4 review--

5 MR. CASSIDY: Agreed.

6 THE CHAIRMAN: --vis-a-vis the Minister
7 of the Environment.

8 MR. CASSIDY: Agreed.

9 THE CHAIRMAN: Ms. Seaborn?

10 MS. SEABORN: Mr. Chairman, we will be
11 addressing these issues in our terms and conditions.
12 As I understood Mr. Cassidy, his original question was
13 quite simple, and that was whether the justification
14 for MNR choosing the five-year period was based on
15 planning or biological reasons, and as I understood the
16 witness' answer, it was that it was a planning
17 consideration not a biological consideration.

18 MR. CASSIDY: Thank you, Ms. Seaborn.
19 Those are my questions.

20 THE CHAIRMAN: Thank you.

21 MR. LINDGREN: Mr. Chairman, could I
22 request a brief break to set up my material.

23 THE CHAIRMAN: Very well. Ten minutes.

24 MR. LINDGREN: Thank you.

25 THE CHAIRMAN: Thank you.

1 ---Recess taken at 9:12 a.m.

2 ---On resuming at 9:30 a.m.

3 THE CHAIRMAN: Thank you. Be seated,
4 please.

5 Mr. Lindgren?

6 MR. LINDGREN: Thank you, Mr. Chairman.

7 CROSS-EXAMINATION BY MR. LINDGREN:

8 Q. Mr. Duncanson, I would like to pick
9 up on two of the comments you made this morning. Your
10 first was the forecast that you made that the paper
11 industry is currently expanding in your view and it's
12 likely to continue expansion and, as an example, you
13 referred to a new mill that will be built or that is
14 about to be built here in Thunder Bay.

15 Are you referring to the proposed mill on
16 the Kam River, sir?

17 MR. DUNCANSON: A. I don't know the
18 local geography enough to call it by a river name. It
19 is the proposed Shin Ho CTMP pulp mill that will be to
20 the east of us here between provincial mill of Abitibi
21 and their newsprint mill.

22 Q. Are you aware that that proposal has
23 been designated under the Environmental Assessment Act?

24 A. I am not familiar with any of that.
25 I understand they are pending environmental approval.

1 Q. That is the environmental approval
2 that you were referring to?

3 A. I believe so, yes.

4 Q. Assuming that it has been designated
5 and it is subject to the Environmental Assessment Act,
6 is it conceivable that approval to proceed would not be
7 given by the Minister or the Board if the Board hears
8 the matter?

9 A. I'm not...

10 THE CHAIRMAN: Sorry, what was your
11 question.

12 MR. LINDGREN: Well, he suggested that
13 this new mill is imminent. I'm suggesting that if it
14 is designated it is conceivable it will not be built at
15 all if approval to proceed is not granted.

16 THE CHAIRMAN: Well, if it is designated
17 it needs approval under the Act.

18 MR. LINDGREN: That's right. And I am
19 suggesting that it's conceivable it won't be built at
20 all, and so you can't rely on that as evidence that
21 mills are expanding.

22 THE CHAIRMAN: That's possible. It is
23 conceivable that it may not be built. It is not a
24 given if it is under the Act.

25 MR. LINDGREN: That was merely the point

1 I was trying to establish.

2 Q. The second point, Mr. Duncanson,
3 that --

4 MR. FREIDIN: Of course, we don't have
5 any evidence. I am not aware whether it has been
6 designated under the Act. This witness has been unable
7 to say that and I have no knowledge of that.

8 MR. LINDGREN: All to this point.

9 Q. Mr. Duncanson, you also suggested
10 that if the decision of this Board reduces the
11 manufacturing level in northern Ontario, then the
12 standard of living in this area may well be reduced as
13 well.

14 What is the basis for that belief?

15 MR. DUNCANSON: A. Well, I would have to
16 refer back to some of our submissions in Panel 5 and
17 refer to a number of the tables that were in the early
18 part of that Panel 5 showing the value, you know, of
19 the forest industry to the overall economy in northern
20 Ontario.

21 Q. Is it equally possible that the
22 Board's decision will in fact maintain or enhance the
23 standard of living in northern Ontario?

24 It seems to me you've taken an awfully
25 pessimistic view of what the Board's decision may

1 result in. Is it equally conceivable that a rosy
2 picture may in fact develop?

3 MR. FREIDIN: I don't think the witness
4 indicated what the consequences of the Board's decision
5 would be. I think he indicated that if alternative A
6 were in fact the alternative, that would be the
7 consequence. He didn't comment one way or the other
8 about what the effect of the Board's decision was.
9 That is not his evidence.

10 THE CHAIRMAN: Well, I think that is
11 highly speculative in the sense that you have no idea
12 what the Board's decision is nor any conditions that
13 might be attached, or this undertaking will be approved
14 or denied or whatever. So it is sheer speculation on
15 the part of anybody--

16 MR. LINDGREN: Correct.

17 THE CHAIRMAN: --what may result. It is
18 a fair question I think to ask: If manufacturing were
19 reduced, whether it is by the Board decision or any
20 other reason, what impact might that have on the
21 standard of living in the north.

22 MR. CASSIDY: That was my question. You
23 quoted my question.

24 MR. LINDGREN: Q. Mr. Bisschop, perhaps
25 we can turn to you now, and in your evidence you spoke

1 of the three alternatives that the Ministry looked at
2 in this witness statement and you offered alternatives
3 A, B and C as alternatives to the undertaking; is that
4 correct?

5 MR. BISSCHOP: A. That's correct.

6 Q. And alternative A, just to refresh
7 everybody's memory, was the 'do-nothing' or null
8 alternative, and this is the one that you are required
9 to look at; is that correct?

10 A. That's our evidence, yes, to assess
11 the null alternative.

12 Q. And it is an essential part of
13 environmental analysis in that it provides a benchmark
14 for the evaluation of other alternatives; is that
15 correct?

16 A. Yes, I believe that's how I
17 characterize that.

18 Q. And you have to look at alternative A
19 despite the fact that it may not achieve the purpose of
20 the undertaking?

21 A. That's correct.

22 Q. Then you went on to look at
23 alternative B, which is harvest without renewal but
24 with application of guidelines; is that correct?

25 A. That's correct.

1 Q. And again at page 31 of the witness
2 statement - it is not necessary to turn to it - but
3 there is an indication that alternative B will not
4 achieve a continuous or predictable supply of wood; is
5 that correct?

6 A. I think if that comment were read in
7 its total context:

8 "Would not provide a continuous
9 predictable wood supply in the
10 long term."

11 The intention there is that the
12 continuousness and predictability will become less
13 certain as we move further into the future.

14 Q. Then, in other words, alternative B
15 will not achieve the purpose of the undertaking either?

16 A. No, I wouldn't agree to that.

17 Q. Well, is the purpose of the
18 undertaking to achieve the long-term continuity and
19 predictability of the wood supply?

20 A. Correct.

21 Q. Will alternative B achieve that?

22 A. It will achieve the purpose of the
23 undertaking, but as I indicated, in the long term it
24 becomes less predictable.

25 Q. Then I fail to see how you can state

1 that it does in fact achieve the purpose of the
2 undertaking if the purpose of the undertaking is to
3 achieve long-term predictability?

4 A. Each of the alternatives, timber
5 management and B and C will achieve the purpose of the
6 undertaking. What we are saying in alternatives B and
7 C is that because we have less control over the future
8 forest that we are going to produce, we would be
9 less -- our predictability wouldn't be as good as we
10 suggest for the undertaking of timber management
11 itself. But our position is that each alternative
12 would achieve the purpose of the undertaking.

13 Q. Didn't you a few minutes ago agree with
14 me that -- I guess perhaps we haven't agreed on this
15 yet.

16 Let's move to alternative C then. You've
17 indicated that too will achieve the purpose of the
18 undertaking. What is the basis for that statement?
19 Alternative C, as you may recall, Mr. Bisschop, is the
20 harvest with no renewal and no application of
21 guidelines?

22 A. Correct.

23 Q. Would you agree with me that that
24 alternative in the long term would not produce a
25 predictable and continuous supply of wood?

1 A. Again, I can only comment that our
2 predictability would be less certain.

3 Q. If you are not renewing, you are not
4 applying guidelines, where is the long-term supply of
5 wood going to come from?

6 A. Well, there would be a certain amount
7 of the supply that would continue to be coming from the
8 natural renewal of the forest.

9 Q. And that would be diminishing over
10 time without renewal?

11 A. That's what we say, yes, because we
12 are not introducing management intervention to ensure
13 perpetuation of the kinds of species that are required.

14 Q. Last week, Mr. Bisschop, you
15 indicated that alternative C corresponds to the way in
16 which timber management was carried out in the 1950s
17 and 60s. Do you recall that testimony?

18 A. Yes, I believe that's how I
19 characterized it and why we considered it in this
20 analysis.

21 Q. However, you did go on to indicate
22 that in 1989 alternative C could no longer be
23 considered a reasonable or realistic consideration. Do
24 you recall that testimony?

25 A. Again, yes, that's how I

1 characterized it and why we did consider it; in effect,
2 that's why we created alternative B, to make that kind
3 of no management alternative more reasonable within the
4 context of the 1980s and 1990s.

5 Q. Would you agree with me if I did
6 suggest to you, sir, that alternative C is not a
7 reasonable alternative?

8 A. I think if you said it was not an
9 acceptable alternative I could agree. I think it is a
10 reasonable alternative to consider, given the stated
11 purpose of the undertaking, it is a reasonable
12 alternative to examine.

13 Q. And presumably you would make the
14 same comment in relation to alternative B? If I
15 suggested to you, sir, that it is not a reasonable
16 alternative either, what is your position?

17 A. Again, I would say it is a reasonable
18 alternative to consider.

19 Q. Last week, Mr. Bisschop, you stated
20 that alternatives B and C really meant no management at
21 all. I think you've just indicated that again; is that
22 correct?

23 A. I believe I said it meant no
24 management of the timber resource.

25 THE CHAIRMAN: Mr. Lindgren, when you are

1 dealing with the reasonableness of looking at the
2 alternatives, presumably to meet the requirements, to
3 see whether or not the requirements of Section 5(3)
4 have been met is one of the reasons why you would look
5 at alternatives and determine whether they are
6 reasonable or not.

7 If the accepted methodology involves
8 looking at the nil alternative, the 'do-nothing' and it
9 has been, and as you are probably aware, that usually
10 is a requirement in all environmental assessments, to
11 have some kind of benchmark to be able to look at
12 against which you can measure what you propose to do.

13 The nil alternative has always been
14 considered to be one of the alternatives you look at
15 and it is reasonable to look at it, not because you are
16 going to adopt it, but it is reasonable in terms of
17 being able to apply environmental assessment
18 methodology appropriately and, in that sense, you would
19 look at it.

20 Is that different necessarily in terms of
21 reasonableness to look at other alternatives that are
22 not the nil alternative but are variations that you may
23 not necessarily wish to adopt, but it is reasonable to
24 look at them so that you get a range?

25 You seem to be indicating through your

1 questioning that you may not consider an alternative to
2 be reasonable if it is something that you would not put
3 forward as practical to be adopted today, and I am
4 suggesting that the test of reasonableness is a way of
5 ensuring that a range under Section 5(3) are looked at
6 in order to comply with the statutory requirements of
7 the Act, and that you shouldn't confuse necessarily the
8 term 'reasonableness' with the idea that the only kinds
9 of alternatives that should be looked at are ones that
10 could be adopted or are promoted by a proponent to be
11 adopted.

12 MR. LINDGREN: I understand your
13 comments, Mr. Chairman. I don't disagree with any of
14 them.

15 My purpose in this line of questioning
16 was simply this: It is our position that what
17 determines the reasonableness of an alternative is
18 whether or not that alternative in some way achieves
19 the purpose of the undertaking, regardless of whether
20 or not the proponent cares to implement it or not. In
21 fact, I would like to put that question to Mr.
22 Bisschop, if I could.

23 Q. For the purposes of environmental
24 assessment, Mr. Bisschop, wouldn't it be preferable to
25 have a range of reasonable or realistic alternatives

1 that achieve the purpose of the undertaking in an
2 environmentally sound manner?

3 MR. BISSCHOP: A. I think your choice
4 should represent a preferred alternative that addresses
5 the environmentally sound manner question. I'm not so
6 sure that that should be a criterion that determines
7 whether or not you identify an 'alternative to' for
8 consideration.

9 Q. And why not?

10 A. Your analysis could say that that is
11 an environmentally unacceptable alternative; and,
12 therefore, it in a sense supports your conclusion on
13 your preferred alternative.

14 Q. Just following up on that, Mr.
15 Bisschop. I take it that you would agree that the
16 purpose of the undertaking essentially determines what
17 the range of the alternatives will be or should be?

18 A. Absolutely.

19 Q. And as a general principle, Mr.
20 Bisschop, would you agree that if the purpose of this
21 undertaking was broader than simply timber supply, then
22 it follows that the range of alternatives would be
23 broader as well?

24 A. We have stated what the purpose for
25 this undertaking is. I'm not sure I care to answer

1 that hypothetical. We are very clear on the purpose --

2 THE CHAIRMAN: Well, just in terms of
3 methodology, if the purpose were broader in scope, does
4 it not follow that the range of alternatives might also
5 be broader in scope?

6 MR. BISSCHOP: Certainly that follows. I
7 am simply making the point that we are very clear about
8 what our purpose is.

9 THE CHAIRMAN: No, we are not suggesting
10 that you are enlarging it or should have enlarged it or
11 anything like that, just a logical progression from the
12 statement that if it were broader, obviously the range
13 of alternatives might also be broader.

14 MR. BISSCHOP: Yes, sir, to both of you I
15 would agree.

16 MR. LINDGREN: Q. Let me tie this into
17 the evidence then, Mr. Bisschop. Can I ask you to turn
18 to page 14, paragraph 11. Paragraph 11, Mr. Bisschop,
19 reads:

20 "It is submitted that the preferred
21 alternative, Timber Management, achieves
22 the purpose of the undertaking and
23 provides the most benefits to the people
24 of Ontario from the forests of Ontario."
25 Does this mean to say, Mr. Bisschop, that

1 the purpose of the preferred alternative is to provide
2 for wood supply and to provide the most benefits for
3 the people of Ontario from the forests of Ontario?

4 A. If I could have a moment, please.

5 Q. Okay.

6 MS. BLASTORAH: Mr. Chairman, just for my
7 purposes while Mr. Bisschop is considering the
8 question, could I ask Mr. Lindgren to restate it. I
9 didn't quite get it all done.

10 MR. LINDGREN: I can certainly do that,
11 Mr. Chairman.

12 MS. BLASTORAH: Thank you.

13 MR. LINDGREN: Q. Do you have the page
14 reference, Mr. Bisschop, page 14, paragraph 11?

15 MR. BISSCHOP: A. Yes, I do, and I am
16 looking to the reference to pages 75 to 76 to see what
17 that statement is summarizing. I think the statement
18 should be --

19 Q. Mr. Bisschop, I will just repeat the
20 question for Ms. Blastorah's benefit.

21 MS. BLASTORAH: Thank you.

22 MR. LINDGREN: Q. The question was:
23 Does the statement on page 14, paragraph 11, mean to
24 say that the purpose of the preferred alternative;
25 namely, timber management, is to provide for wood

1 supply and to provide the most benefits for the people
2 of Ontario from the forests of Ontario?

3 MR. BISSCHOP: A. I'm sorry, I've heard
4 that different than I heard the original question.
5 Could you say that again, please?

6 Q. Okay. Does that paragraph mean that
7 the purpose of the preferred alternative is to provide
8 for wood supply and to provide the most benefits to the
9 people of Ontario from the forests of Ontario?

10 It's simply a reformulation of that
11 paragraph.

12 A. That's not how I read that sentence.

13 Q. And how do you read that sentence
14 then?

15 A. I read the sentence as the preferred
16 alternative achieves the purpose and, in doing so,
17 provides the most benefits to the people of Ontario. I
18 don't read it as the purpose includes providing the
19 most benefits.

20 Q. If the purpose was to provide the
21 most benefits or to optimize public benefits, for
22 example, by providing for multiple use of Ontario
23 forests on a sustained yield basis, if that was the
24 purpose, I take it from your earlier answer that the
25 MNR would have had to analyse a broader range of

1 'alternatives to' and alternative methods; correct?

2 A. That's correct.

3 Q. Would you agree with me, Mr.

4 Bisschop, that because the purpose of the undertaking
5 has been restricted to simply supplying wood, the range
6 of alternatives has been greatly restricted? And if
7 you don't agree with that, please tell me why.

8 A. We identified the alternatives to
9 achieve the purpose which you say is restricted. I
10 don't think that that necessarily means that there is a
11 restricted range of alternatives that have been
12 defined. We have identified the alternatives that
13 could meet the purpose as we've stated it.

14 THE CHAIRMAN: But the purpose is not
15 restricted - maybe that's an improper word to use - but
16 the purpose, could it have been defined more broadly,
17 you will agree with that?

18 MR. BISSCHOP: Yes, and then consequently
19 as I agreed, you would have to be looking at reasonable
20 'alternatives to' to achieve that more broadly stated
21 purpose which would mean more broadly stated
22 'alternatives to'.

23 THE CHAIRMAN: Doesn't that answer your
24 question?

25 MR. LINDGREN: Yes, it does.

1 Q. Then getting back to the actual
2 alternatives that were submitted; alternative A, as
3 we've indicated, is the null alternative and
4 alternative B and alternative C, in your view, are
5 reasonable alternatives.

6 Would you agree with me that the only
7 distinction between B and C is really a planning
8 distinction; in B the guidelines were applied and in C
9 they're not?

10 MR. BISSCHOP: A. Yes, I think that's a
11 fair summation.

12 Q. Would you agree then that there
13 really is little distinction between B and C; they are
14 really just a variation of each other?

15 A. Yes, I think I agreed to that when
16 the Chairman raised that question in our direct
17 examination, that we indicated that, in effect, B and C
18 are just two variations on the theme of no management
19 of the timber resource. But I think the comment I'd
20 add is that the consequences are very different between
21 B and C in terms of the total environmental
22 consequences.

23 Q. Thank you. I take it from the
24 evidence, Mr. Bisschop, that alternatives B and C are
25 proposed as alternatives at the provincial level?

1 A. That's correct. We look at the
2 purpose provincially and 'alternatives to'
3 provincially.

4 Q. Now, given the environmental and
5 social and economic diversity across the area of the
6 undertaking, in your opinion, Mr. Bisschop, would it
7 have been feasible to produce alternatives at the
8 subprovincial or regional level?

9 A. 'Alternatives to'?

10 Q. 'Alternatives to'.

11 A. My view is, it is a question we had
12 to address at the provincial level. For the way we
13 approached this environmental assessment and this
14 undertaking under the Act, we've approached it at the
15 provincial level and that's the level at which we
16 examine 'alternatives to'.

17 THE CHAIRMAN: Is that because the manner
18 in which you have defined the purpose; i.e., to provide
19 for a continuous supply of wood to industry, is
20 evaluated at the provincial level?

21 MR. BISSCHOP: Yes. I think that's a
22 fair way of explaining that approach, yes.

23 MR. LINDGREN: Q. Well, let me refer you
24 to some of your evidence last week then to perhaps
25 explain my concern here, Mr. Bisschop.

1 Last week, for example, you stated that
2 the possibility of modifying harvest for natural
3 regeneration purposes was considered as a variance of
4 alternative B. Do you recall that testimony?

5 MR. BISSCHOP: A. Yes.

6 Q. And then you went on to indicate that
7 in the Ministry's view modified harvest for natural
8 regeneration purposes can be rarely practised in the
9 area of the undertaking and for that reason it wasn't
10 included as an 'alternative to'. Do you recall that
11 testimony?

12 A. I referred back to the previous
13 evidence of Mr. Hynard and Greenwood I believe in Panel
14 10 and 11 that spoke to the whole subject of modifying
15 harvest operations and the practicality of that within
16 the boreal forest context.

17 MS. BLASTORAH: Mr. Chairman, just a
18 slight correction. I think the evidence was not
19 specifically that modified harvest was rare in the area
20 of the undertaking, but the areas to which it was
21 applicable are limited and I think the
22 characterization --

23 MR. LINDGREN: That was my next question
24 in fact, Mr. Chairman.

25 Q. Mr. Bisschop, would you agree with me

1 that there are some areas in Ontario where modified
2 harvest can be practised to produce natural
3 regeneration?

4 MR. BISSCHOP: A. Yes, and I believe
5 that has been evidence that the Ministry has led.

6 Q. Then could you please clarify why
7 modified cutting has been, in our view, so merely
8 dismissed as an alternative to clearcutting, as it
9 were?

10 MR. LINDGREN: Mr. Chairman, our concern
11 is that in terms of the alternatives presented by this
12 Ministry it is all or nothing, it is either
13 clearcutting or you do nothing.

14 MS. BLASTORAH: Mr. Chairman, I take
15 exception to that, obviously.

16 THE CHAIRMAN: Raise your objection, Ms.
17 Blastorah.

18 MS. BLASTORAH: Mr. Chairman, you heard
19 extensive evidence that obviously clearcutting --
20 various types of clearcutting are not the only method
21 that's put forward by this proponent as a possible way
22 of achieving the activity or carrying out the activity
23 of harvest, and we have heard extensive evidence to
24 that effect, and we have heard also from Mr. Bisschop,
25 what he has just indicated.

1 I just rose to clarify that we heard
2 evidence that there are areas in the province that use
3 other types of harvesting techniques.

4 MR. CASSIDY: In addition to that, if my
5 friend wants to look at the number of case studies in
6 our evidence, there is extensive evidence in those case
7 studies about how that type of practice is carried out
8 in the St. Lawrence Forest. It just doesn't accord
9 with the evidence.

10 MR. LINDGREN: Well, we will be calling
11 further evidence, so I will move on.

12 THE CHAIRMAN: Well, you can call further
13 evidence in your own case to try and show that that's
14 not the case, but I think it is unfair to improperly
15 characterize the evidence put forward by the Ministry
16 when that characterization doesn't seem to accord with
17 what the evidence was.

18 MR. LINDGREN: I am prepared to move on,
19 but I'm not sure if it was a mischaracterization, but I
20 will move on, Mr. Chairman.

21 Q. Mr. Bisschop, the Ministry has
22 defined timber management as the four activities of
23 access, harvest, renewal and maintenance.

24 Now, in terms of the alternatives
25 presented in this panel, the Ministry appears to have

1 hived off the activity of renewal and used that as a
2 variable between the preferred alternative on the one
3 hand and alternatives B and C on the other. Is that a
4 fair statement?

5 MR. BISSCHOP: A. Yes.

6 Q. What is the rationale for solely
7 separating out renewal?

8 A. I think it is as simple as addressing
9 through alternatives the consequences of man's efforts
10 to renew the forest versus allowing nature to take its
11 course after having conducted harvest operations,
12 simply to point out or to address the consequences of
13 one versus the other.

14 Q. Would you agree with me, Mr.
15 Bisschop, that for each of the four activities there is
16 a wide range of 'alternatives to' and alternative
17 methods?

18 A. Yes, and we indicated in our lead
19 evidence on addressing this question of 'alternatives
20 to' that there could have been various combinations and
21 permutations of 'alternatives to' that we could have
22 considered, many of which I guess would relate to
23 dealing with renewal versus no renewal and various
24 perhaps ways of accessing harvest.

25 But we addressed what we felt was a

1 reasonable range and we used -- yes, we used the
2 activity of renewal, regeneration and maintenance as a
3 variable that we did consider as a major variable in
4 terms of identifying the range of alternatives.

5 Q. Well, let's look more closely at the
6 example of maintenance that you just raised and, in
7 particular, I would like to look at the activities of
8 tending and protection.

9 Now, as I recall the Ministry evidence -
10 and I want to be careful, I don't want to
11 mischaracterize it - but if I recall it correctly, the
12 preferred alternative of carrying out tending by and
13 large in the area of the undertaking is aerial
14 application of herbicides with some limited use of manual
15 thinning measures. Is that a fair summary?

16 A. I'm not sure that we've ever stated
17 that it's the preferred alternative --

18 Q. That's what's done most commonly in
19 the area of the undertaking; is it not?

20 A. It is a common treatment and we have
21 indicated that we make that decision at the level of
22 the management unit when we are preparing our
23 prescriptions.

24 Q. Would you agree with me that there is
25 a variety of alternative methods and 'alternatives to'

1 this choice, preferred choice?

2 MR. FREIDIN: He already said it is not a
3 preferred choice. It is a choice which happens to be a
4 common choice in consideration in the field.

5 MR. LINDGREN: Q. Would you agree with
6 me, Mr. Bisschop, that there is a variety of
7 alternative methods and 'alternatives to' this common
8 choice?

9 MR. BISSCHOP: A. I want to be careful
10 about the use of the words 'alternatives to' and
11 alternative methods. Again, there are various
12 alternative methods of carrying out the activity of
13 tending.

14 Q. And there are alternatives to it as
15 well?

16 THE CHAIRMAN: Well, there is
17 alternatives in the sense that you can do no tending,
18 you can do tending, and I would suggest that everything
19 inbetween is an alternative method if you have chosen
20 tending as opposed to do nothing of tending.

21 MS. BLASTORAH: Mr. Chairman, I only rise
22 to point out that Mr. Bisschop in his evidence-in-chief
23 clearly indicated we do not consider intensities of
24 timber management to be alternatives to timber
25 management. That was stated in his evidence-in-chief.

1 MR. LINDGREN: Q. Just picking up on
2 that point. Why not; why is that not considered an
3 'alternative to', why is that considered an alternative
4 method in your opinion?

5 MR. BISSCHOP: A. We believe that's
6 properly approached as a question of alternative
7 methods of carrying out the undertaking which we define
8 as timber management.

9 And the range of options, as the Chairman
10 has indicated, could range from doing nothing to a host
11 of alternative methods of carrying out each of the
12 individual activities.

13 MR. LINDGREN: Mr. Chairman, I would like
14 to file an exhibit that I think would shed some light
15 on this, particularly if I ask Mr. Bisschop his opinion
16 on it.

17 It is a document entitled: Managing
18 Western Spruce Budworm in Oregon and Washington, dated
19 1988. And it is an extract, I have the full text
20 available if Mr. Bisschop wants to look at it at some
21 point. (handed)

22 MR. CASSIDY: Mr. Chairman, in respect of
23 that, I assume Mr. Lindgren can confirm that if one of
24 the other parties wishes to review the full text as
25 well that you will make it available for us upon

1 reasonable notice and reasonable arrangement.

2 MR. LINDGREN: That goes without saying,
3 Mr. Chairman.

4 MR. CASSIDY: Thank you.

5 THE CHAIRMAN: Exhibit 999.

6 MS. BLASTORAH: And counting.

7 ---EXHIBIT NO. 999: Extract from a document entitled:
8 Managing Western Spruce Budworm
9 in Oregon and Washington, dated
10 1988.

11 MR. LINDGREN: Q. Now, Mr. Bisschop,
12 this particular extract was provided to your counsel
13 last week. I assume that you've had a chance to look
14 it over?

15 MR. BISSCHOP: A. Yes, I've read it.

16 Q. I don't want to go through this in
17 any particular detail, but I would like to ask a few
18 questions on this and ask you for your opinion.

19 Can I ask you to turn to the -- I'm
20 sorry, I am now in the area of protection instead of
21 tending, I will get back to the tending.

22 Now, before I direct your attention to
23 the abstract on this document, again, to fairly state
24 what I think the Ministry's preferred alternative and
25 what the common choice is in the area of the
undertaking in terms of protection; that is, by and

1 large protection is carried out via the aerial spraying
2 of BT but the Ministry can and will recommend these
3 chemical insecticides where necessary or appropriate,
4 and that there will be some salvage operations as well.

5 Is that a fair statement of what the
6 protection activities are in this province?

7 A. Yes. Again, there is a range of
8 activities. I don't think, again, we have ever said
9 that we have a preferred method.

10 Q. Can I ask you to look at the
11 alternatives that are set out on the abstract of this
12 page, which is the first page in this document, Exhibit
13 999.

14 Now, can I ask you to look at each
15 alternative and to indicate, in your professional
16 opinion, whether these are alternative methods or
17 alternatives to the common practice of the preferred
18 alternative in this province?

19 THE CHAIRMAN: Well, he just indicated
20 there is no preferred alternative.

21 MS. BLASTORAH: And, Mr. Chairman - I am
22 sorry to interrupt - I would only point out that the
23 article itself characterizes the alternatives set out
24 here, which Mr. Lindgren has simply referred to as
25 alternatives. In the second line from the top of the

1 page, it says that they are presenting four alternative
2 methods of managing western spruce budworm.

3 I would just rise to point that out in
4 the article.

5 MR. LINDGREN: Mr. Chairman, I think that
6 could have been pointed out in re-examination, but that
7 is precisely why I have put this document to Mr.
8 Bisschop.

9 Q. Are these alternatives; namely, A to
10 E, alternative methods or alternatives to?

11 MR. BISSCHOP: A. Alternative methods.

12 Q. Each and every one of them?

13 A. Each and every one.

14 Q. Including alternative A which is no
15 action?

16 A. That's correct.

17 Q. Just one question following up on
18 that, then. If these are alternative methods, in your
19 view, where have we seen this kind of analysis in the
20 Ministry's previous evidence?

21 A. Specifically on the subject of
22 protection, we presented evidence in Panel 15 through
23 Mr. Churcher that this is exactly the kind of approach
24 we take in terms of looking at alternative ways of
25 addressing protection problems. We have indicated in

1 addition to the alternatives that they have described
2 in the abstract that we look at other alternatives
3 which they have rejected from detailed consideration,
4 as I understand the remainder of the subject, to deal
5 with the subject of salvage and redirecting harvest
6 operations.

7 MR. FREIDIN: Mr. Chairman, in Panel 15
8 Mr. Churcher dealt primarily with the planning process
9 in relation to those activities, Panels 12 and 13
10 described those activities, all the alternative
11 methods, the environmental effects of those and how we
12 mitigate them, and there was cross-examination on that
13 issue.

14 MR. LINDGREN: Mr. Chairman, my concern
15 is not so much what is done, but I am concerned with
16 the environmental assessment documentation on that
17 analysis.

18 MR. BISSCHOP: And I was going to
19 continue that in Mr. Churcher's evidence he indicated
20 the kind of analysis that would be carried out, and
21 it's set out in - I am losing track of my appendices
22 numbers - I think it's Appendix III of the Class EA,
23 the kind of analysis that would be carried out that I
24 would characterize as the environmental analysis that
25 leads to a decision with a rationale.

1 MR. LINDGREN: Q. That really doesn't...

2 MR. BISSCHOP: A. And that would be
3 carried out in the future annually as we deal with
4 protection problems.

5 Q. That really was not the thrust of my
6 question, Mr. Bisschop. In Mr. Churcher's evidence,
7 where have we seen a systematic identification and
8 comparison in terms of the environmental effects of the
9 alternative methods of carrying out protection?

10 MS. BLASTORAH: Mr. Chairman, I think we
11 have already heard that, that was done in Panel 12 and
12 13.

13 MR. LINDGREN: If that is what they are
14 standing by as a systematic identification and
15 comparison of the alternatives, that is fine.

16 Q. Is that your evidence, Mr. Bisschop?

17 MR. BISSCHOP: A. I think the way I
18 would characterize it is in those panels, Panel 13 that
19 dealt with protection, we have described the
20 environmental consequences of the various methods of
21 addressing protection operations.

22 We have indicated through Panel 15 and
23 through Appendix III of the Class EA the way that we
24 would examine that subject of environmental
25 consequences in coming to a decision on which method we

1 would use in any particular situation at the district
2 level applying that process.

3 MR. LINDGREN: I am not going to pursue
4 this any further, Mr. Chairman, but I would like to
5 return to the activity of tending that I intended to
6 deal with first.

7 And, again, I have an exhibit that I
8 would like to put to Mr. Bisschop. It is with some
9 trepidation that I do so, sir. We are prepared to live
10 with the consequences.

11 MS. BLASTORAH: I think we should have
12 had a bigger gong here for today.

13 MS. SEABORN: Well, Mr. Chairman, with
14 respect to this famous Exhibit 1000, Mr. Sutterfield
15 has pointed out to me that a number of parties have had
16 social occasions during the course of the hearing and
17 as a major party who has been here we have not thrown a
18 party per se, and so we will undertake to have a social
19 event in Toronto hosted by Genest, Murray to celebrate
20 Exhibit 1000.

21 MS. BLASTORAH: I think that is very
22 gracious.

23 MR. LINDGREN: Well, Mr. Chairman, with
24 due respect to the Ministry of the Environment, we have
25 to disagree with those submissions and, in fact, I have

1 been instructed by our client to celebrate this
2 momentous occasion by serving and filing another
3 document. (handed) I hope you don't mind the colour.

4 MS. BLASTORAH: I hate to interrupt
5 again, but what was Exhibit 1000?

6 THE CHAIRMAN: The Board is somewhat
7 reluctant to even give any exhibits any future numbers,
8 unless it knows what the consequences of doing so are,
9 but since the exhibit was tendered, Exhibit 1000 will
10 be the one just put forward, not the green one, the
11 white one, which is Managing Competing and Unwanted
12 Vegetation from the U.S. EA Forest Service.

13 ---EXHIBIT NO. 1000: Article entitled: Managing
14 Competing and Unwanted
15 Vegetation, from the USA Forest
 Service.

16 THE CHAIRMAN: Both this document, Mr.
17 Lindgren, and the one previously, are they dated by any
18 chance?

19 MR. LINDGREN: Oh. Yes, this one is the
20 most recent one, Exhibit 1000 is 1988.

21 Now, Mr. Chairman, for the record I would
22 just like to indicate that I have distributed an
23 invitation to the parties and to the Board and to
24 anybody involved in this hearing to attend a reception
25 at the offices of CELA on the 19th of February, 1989 to

1 celebrate this momentous occasion -- or, 1990, that's
2 correct.

3 And I would point out that it is the 19th
4 of February, that is when the negotiation sessions
5 start. I think everybody should be in Toronto and I
6 think we will have a grand time celebrating this
7 occasion.

8 THE CHAIRMAN: Well, the Board certainly
9 thanks you, and this shouldn't inhibit anything that is
10 going to be done on February 19th, I will be in the
11 U.K. that day -- actually, yes, I will be in the air by
12 then, so I will not be able to attend.

13 MS. BLASTORAH: Mr. Chairman, can we take
14 it that Ms. Seaborn thus rescinds her offer or are we
15 going to have two parties?

16 MS. SEABORN: Well, we will have to wait
17 for another occasion, Mr. Chairman.

18 MR. LINDGREN: Mr. Chairman, before I
19 proceed with Exhibit 1000, perhaps we can give some
20 thought as to what happens to the person who files
21 Exhibit 2000.

22 MS. BLASTORAH: Capital punishment.

23 THE CHAIRMAN: All right. So we are
24 going to hold Ms. Seaborn's undertaking or offer in
25 abeyance, I take it.

1 MS. SEABORN: That's correct, Mr.
2 Chairman. I don't think I can very well withdraw it.

3 THE CHAIRMAN: Very well. You will be
4 called upon, Ms. Seaborn, at some time to honour it, I
5 am sure, hopefully before the two thousandth exhibit
6 goes across the board.

7 Thank you, Mr. Lindgren.

8 MR. LINDGREN: Q. Mr. Bisschop, again,
9 this document was provided to your counsel last week
10 and I assume you have had a chance to read this as
11 well?

12 MR. BISSCHOP: A. Yes, I have.

13 Q. Now, again, I would like to draw your
14 attention to the abstract in the first page where
15 various alternatives A to H are set out with H being
16 the Forest Service's preferred alternative. And I
17 think, as you will note, if you have read the paper,
18 the alternatives are further explained in the following
19 pages.

20 Looking at alternatives A to H, can you
21 advise me if, in your opinion as forester and an
22 environmental planner, which of these can be
23 characterized as alternatives to and which of these are
24 alternative methods?

25 A. Again, I would characterize all of

1 them as alternative methods.

2 Q. Including alternative C, no
3 vegetation management?

4 A. That's correct.

5 Q. And what is the basis for that
6 opinion?

7 A. Again, it's the range of alternatives
8 that one would look at in terms of addressing that
9 specific activity and one of the considerations would
10 be the consequences of doing nothing.

11 THE CHAIRMAN: I think some of the
12 confusion, counsel, has arisen in this area because of
13 the nature of this particular undertaking. If you are
14 dealing with an enterprise such as a facility and what
15 is sought in terms of the environmental assessment is
16 approval to construct a facility, and the alternative
17 of doing nothing; i.e., not building it, that I would
18 suggest is generally characterized as an alternative to
19 the undertaking. You want approval to build something,
20 you look at the null option which is not doing
21 anything; i.e., building it, that is generally
22 considered, I think, to be an alternative to the
23 undertaking.

24 Now, in this case where the undertaking
25 is timber management, it gets a little cloudier I would

1 suggest in the sense that by doing nothing there is
2 still activity in respect of the -- sorry, there is
3 still something happening in respect of the activity
4 such as regeneration. By doing nothing through timber
5 management there is still a form of regeneration out
6 there, it is done by nature.

7 And so the do-nothing alternative is not
8 quite the same, it's not quite as clearcut as it would
9 be in terms of constructing or not constructing a
10 particular facility. And I think that is leading, to
11 some extent, to a little confusion in terms of the
12 characterization of whether something is an alternative
13 to or an alternative method.

14 So that in the one case you would
15 normally look at the null option, the do-nothing as an
16 alternative to; when you look at it in terms of timber
17 management, it may in fact be an alternative method of
18 carrying out the undertaking because by doing nothing
19 in terms of management that doesn't necessarily mean
20 some of the activities still do not go forward.

21 I don't know if that clarifies anything
22 for anyone, but that is some concern the Board is
23 having trying to characterize this undertaking in terms
24 of alternatives to and alternative methods.

25 MR. BISSCHOP: But if I could comment,

1 Mr. Chairman, I think basically with this undertaking
2 it is somewhat unique in the sense that we do look at
3 the option of doing nothing at the level of alternative
4 methods, and I think perhaps the best example is the
5 way we can make prescription decisions on reserves
6 through making the decision that, in effect, the
7 environmental consequences of carrying out the
8 activities are so great that we ought not carry them
9 out in order to protect a particular value, am I making
10 the point, in the sense that why I am saying that we
11 look at the option of do nothing as an alternative
12 method within the context of this undertaking as well
13 as at the 'alternative to' stage.

14 MR. LINDGREN: Q. Just so I am clear,
15 you are saying that the do-nothing or null alternative
16 is both an alternative to and an alternative method?

17 MR. BISSCHOP: A. We look at it at both
18 levels in the context of, first of all, achieving the
19 purpose, what alternatives to are there; and then,
20 secondly, again at the level of alternative methods we
21 look at the option of doing nothing particularly in
22 relation to the environmental consequences of doing
23 something may be so great that we choose not to do
24 anything.

25 Q. Thank you. I am not sure if I have

1 cleared up anything or made it more muddy, but I am
2 prepared to move on.

3 Mr. Bisschop, can I ask you to turn to
4 page 27 of the witness statement.

5 MR. CASSIDY: Could I get a copy of
6 Exhibit 1000? I think Ms. Seaborn needs a copy.

7 MR. LINDGREN: (handed)

8 ---Discussion off the record

9 THE CHAIRMAN: Sorry, Mr. Lindgren.

10 MR. LINDGREN: That is fine.

11 Q. Mr. Bisschop, do you have page 27?

12 MR. BISSCHOP: A. Yes.

13 Q. I am looking at the first bullet, and
14 there you are talking about the forest that will result
15 from the preferred alternative timber management. And
16 under the first subbullet, the first characteristic
17 that is listed there is:

18 "an increasingly more balanced
19 distribution of age-classes."

20 Now, I take it from that that the
21 Ministry views the achievement of the balanced
22 age-class as desirable?

23 A. Yes.

24 Q. That is the objective and that is
25 what you are striving to achieve?

1 A. Yes.

2 Q. And a balanced age-class is
3 characteristic of the normal forest, the so-called
4 normal forest?

5 A. Yes.

6 Q. But in reality the normal forest is
7 impossible to attain, I think that has been the thrust
8 of the evidence to this point?

9 A. Yes, I believe it has been perhaps in
10 some ways characterized as the ideal that is not in
11 reality a reality, probably achievable.

12 Q. And nevertheless, that is the
13 objective that you are trying to achieve?

14 A. Moving towards that objective, yes.

15 Q. Now, given that the MNR sees the
16 balanced age-class as an important objective, can you
17 confirm for me that area regulation will achieve
18 balanced age-class faster and with less fluctuation in
19 volume allocated than the present yield regulation
20 system?

21 A. I think I would pass that question to
22 Mr. Armson, he could probably address that much more
23 directly than I.

24 MR. ARMSON: A. I wonder if you would
25 repeat the question, Mr. Lindgren. I thought I heard

1 it, but I am not...

2 Q. Certainly, Mr. Armson. The question
3 was simply: Will area regulation achieve balanced
4 age-class distribution in less time and with less
5 fluctuation in volume allocated than the present yield
6 regulation system?

7 A. Well, first of all, the achievement
8 of balanced age-class, no matter how you attempt it via
9 timber management, is going to be a function of the
10 existing age-class distribution that is there; in other
11 words, that may be more rapidly achieved with some
12 forest areas than with others. So I don't think --
13 and, secondly, the differentiation between area
14 regulation and yield regulation, I assume you mean that
15 using area exclusive of volume or using volume exclusive
16 of area is what you mean.

17 Q. That's right.

18 A. And I believe the evidence has been,
19 Mr. Chairman, before the Board, particularly in panels
20 3 and 4, which I was present, that in fact we do not
21 look at area or volume totally independent.

22 Q. I will return to that in a few
23 minutes, Mr. Armson. I would like to move to the next
24 bullet under this paragraph on page 27. The next
25 bullet reads:

1 "individual stand integrity and
2 well defined boundaries or edges with
3 adjacent forest stands."

4 That will be characteristic of the forest
5 that will result from timber management. And, again,
6 Mr. Bisschop, I take it that the Ministry sees this as
7 a desirable objective?

8 MR. BISSCHOP: A. Yes. And, again, Mr.
9 Armson can speak to that subject much better than I.

10 Q. Well, actually my next question is
11 directed to Dr. Euler. Individual stand integrity and
12 well defined boundaries or edges with adjacent forest
13 stands, that sounds like a tree farm or a plantation to
14 me. Would this be beneficial from a wildlife
15 perspective?

16 MR. FREIDIN: Are you asking him to
17 accept the proposition that it is a tree farm, or
18 whether in fact individual stand integrity and well
19 defined boundaries are good for wildlife?

20 MR. LINDGREN: Q. If the forest looked
21 like that, Dr. Euler, will that be beneficial to
22 wildlife, will that be beneficial in terms of
23 biological diversity?

24 DR. EULER: A. In some cases, yes; in
25 other causes, no. It isn't a proposition that I can

1 characterize with one simple answer.

2 For example, individual stands could be
3 very large, large stands of say mature or overmature
4 forest, those could be good for wildlife, but then
5 there are other times when smaller stands with well
6 defined boundaries can be bad for wildlife because of
7 edge effects and so on that are sometimes good and
8 sometimes bad. So it's not an all or nothing, yes or
9 no kind of situation.

10 Q. Thank you.

11 MR. LINDGREN: If I may have a moment,
12 Mr. Chairman.

13 Q. The next bullet under this paragraph
14 indicates that:

15 "species composition and stand
16 development subject to design control to
17 meet timber and non-timber objectives
18 identified within the Timber Management
19 Plan."

20 Would you agree with me, Mr. Bisschop,
21 that to obtain this result it would be preferable or
22 desirable to have the non-timber objectives set out in
23 a quantifiable form?

24 MR. BISSCHOP: A. It's preferable to
25 have them quantified?

1 Q. Quantifiable.

2 A. Quantifiable?

3 Q. That's correct.

4 A. I am not sure that that's necessary.

5 The point being made is that through man's management
6 control, timber management objectives and objectives
7 for what I would characterize as the protection of
8 other values, non-timber objectives, would be achieved,
9 and I am not sure that the non-timber objectives need
10 to be quantified or quantifiable in order to achieve
11 that.

12 Q. Wasn't that a concern of Dean
13 Baskerville in his audit?

14 THE CHAIRMAN: Well, hold on, Mr.
15 Lindgren. I think you were present or your client was
16 present for Dean Baskerville's testimony.

17 We have been through that area I think a
18 number of times. I don't think it's really going to be
19 productive to review with this panel the whole issue of
20 whether or not objectives should be quantified,
21 quantifiable, et cetera, and I think we have covered
22 that and you can now deal with it, I would suggest, in
23 your own case.

24 MR. LINDGREN: Very well, Mr. Chairman.

25 THE CHAIRMAN: We would like to take a

1 break, one of us has to make a phone call.

2 MR. LINDGREN: This is an appropriate
3 spot.

4 MS. BLASTORAH: Mr. Chairman, I would
5 point out that -- never mind, Mr. Chairman, I will deal
6 with that later.

7 MR. CASSIDY: I have one matter that I
8 would ask the Board to consider over the break, among
9 other things. Ms. Seaborn and I were just discussing a
10 point she raised with me which I think is a valid
11 concern and that is, as a result of the scoping session
12 last night, it may be possible for our second panel,
13 the OFIA's second panel to commence on February 12th,
14 being optimistic.

15 The scoping session for that panel is
16 presently scheduled for that night of the 12th. What I
17 might ask the Board to consider over the break is the
18 possibility of having that scoping session on Wednesday
19 February the 7th, that is at end of the day at the end
20 of that first week, Mr. Chairman.

21 The statements of issues for that scoping
22 session are required for February 5th, and that would
23 give us two days to think about it as well as you and
24 have the scoping session on the evening of the 7th,
25 just to avoid the possibility that we have the scoping

1 session after the commencement of the evidence.

2 MR. LINDGREN: Mr. Chairman, I don't know
3 if this affects the proposal made by my friend. I
4 spoke to Ms. Swenarchuk last night, she advised she
5 will be probably a day and a half in cross-examination
6 on Panel 1. I don't know if that affects your time
7 line or not.

8 MR. CASSIDY: Maybe we better all think
9 about that over the break. Maybe we can still go with
10 the 12th.

11 THE CHAIRMAN: Well, we would like to be
12 in a position so that we can go ahead with Panel 2 of
13 your case, Mr. Cassidy, as expeditiously as possible
14 and whenever we finish Panel 1. So your suggestion to
15 move up the scoping session to February 7th with the
16 statements of issue for that panel being due on
17 February 5th sounds reasonable, just so that we are set
18 to go on the 12th or 13th or whenever.

19 MR. CASSIDY: That was the point of my
20 suggestion.

21 THE CHAIRMAN: Yes. I think, unless any
22 other parties can raise an objection to that, the Board
23 will amend that earlier date, so that the scoping
24 session will take place now on February 7th in Toronto
25 and the statements of issue for Panel 2 will remain due

1 on February 5th.

2 MR. CASSIDY: Thank you, sir.

3 THE CHAIRMAN: We will break for 20
4 minutes.

5 ---Recess taken at 10:30 a.m.

6 ---On resuming at 11:00 a.m.

7 THE CHAIRMAN: Thank you. Be seated,
8 please.

9 MR. LINDGREN: Q. Mr. Bisschop, I would
10 like to clarify some of the assumptions that we find
11 under each alternative and I will begin by referring
12 you to page 27 where we find a discussion of the
13 assumptions under alternative A.

14 And on the last bullet point on that page
15 there is a statement that:

16 "Most existing access roads on Crown land
17 would deteriorate over time since their
18 maintenance cannot be justified from an
19 economic point of view in the absence of
20 timber management."

21 Mr. Bisschop, can you tell me how many
22 kilometres of roads would deteriorate under alternative
23 A as compared with the preferred alternative or
24 alternatives B and C?

25 MR. BISSCHOP: A. No, I can't

1 specifically answer that.

2 Q. Have you attempted to quantify that?

3 A. No.

4 Q. And why not; is it not feasible or
5 you just decided not to do it?

6 A. I think -- I'm not sure it's a
7 necessary thing to do. This statement is simply making
8 a factual statement that of the existing road system
9 there would be no justification for maintaining most of
10 the roads in the sense that most roads on Crown land
11 that are there for timber management purposes would no
12 longer be necessary to maintain. Some roads would
13 continue to be maintained for other uses.

14 And it was simply a statement that
15 addresses the question of what would happen with the
16 existing road system.

17 Q. Okay, thank you. I am content with
18 that explanation. Could I ask -- Mr. Armson, can I ask
19 you to turn to page 28.

20 MR. ARMSON: A. Yes, I have that.

21 Q. And, again, we are discussing
22 alternative A here and in the first bullet point under
23 the subheading Results there is a statement that:

24 "The annual area burned in the boreal
25 forest would increase significantly. A

1 greater number of fires will be larger
2 and of longer duration."

3 And there is a discussion of the
4 intensity of fires in the next bullet point. Mr.
5 Armson, what is the basis for your conclusion that
6 option A will result in more and bigger fires?

7 A. First of all, if the suppression was
8 less limited, as is indicated in the first bullet at
9 the top of that page, then there would be more fires as
10 a simple piece of logic.

11 The second point is that if fires -- more
12 fires are not suppressed and they are allowed to burn,
13 then there will be not only a greater number of fires,
14 but those fires would burn until natural causes put
15 them out. So that is the premise on which the
16 statement in that first bullet is made.

17 Q. Mr. Armson, last week I provided to
18 your counsel an article by C.E. van Wagner. Have you
19 had an opportunity to look at that, sir?

20 A. Yes, I have.

21 MR. LINDGREN: I would like to file that
22 as the next exhibit, Mr. Chairman.

23 THE CHAIRMAN: Exhibit 1001.

24 MR. LINDGREN: For the record, I should
25 indicate that Exhibit 1001 is an article entitled: The

1 Historical Pattern of Annual Burned Area in Canada by
2 C.E. van Wagner and it appeared in the 1988 June
3 edition of the Forestry Chronicle.

4 ---EXHIBIT NO. 1001: Article entitled: The Historical
5 Pattern of Annual Burned Area in
6 Canada by C.E. van Wagner, 1988
June edition of Forestry
Chronicle.

7 MR. LINDGREN: Q. Now, Mr. Armson, I
8 don't intend to review this in any particular detail
9 with you, I think my questions can be answered simply
10 by looking at the abstract.

11 Now, you've read this article. Can you
12 confirm for me that the author looks at the historical
13 burn patterns across Canada and he finds that there was
14 a gradual decline in the area burned from the 1920s to
15 the 1960s, but then he finds a steep rise to all time
16 highs in the early 1980s?

17 Can you confirm to this point that's what
18 the author states?

19 MR. ARMSON: A. The author states, yes,
20 that there was a decline and he gives a reason for
21 that. That is not in the abstract, but it is very
22 clearly in the text. He then says that:

23 "It rises to an all time high during the
24 period for which the data is
25 available..." and that is; namely, from

1 the period of 1910 or -20 to 1985 or '86. So it is not
2 necessarily an all time high, it is only for that
3 period.

4 Q. Fair enough. Can you confirm that
5 the author states that in his view the most likely
6 cause of the most recent increase is climatic or
7 weather related?

8 A. No, he doesn't say that's the most
9 likely cause. He poses the questions: Is this pattern
10 linked to some periodic or gradual shift. He doesn't
11 say it is the most likely cause I don't think.

5
12 He is very clear, however, about the
13 decrease over the period from 1910 or the 1920s to 1970
14 and he says very categorically:

15 "The increasing effectiveness of the
16 protection and suppression could alone
17 account for the initial four-decade
18 descending trend in burned area."

19 THE CHAIRMAN: Where are you reading that
20 from?

21 MR. ARMSON: Oh, I'm sorry, Mr. Chairman.
22 That is from the exhibit on the back page which is
23 numerically 185 actually in the journal. It is in the
24 second -- well, the first complete paragraph on the
25 left-hand column and that begins:

1 "What about the efficiency of fire
2 management operations..."

3 THE CHAIRMAN: Thank you.

4 MR. LINDGREN: Q. I'm sorry, I didn't
5 catch the paragraph that you are referring to, Mr.
6 Armson.

7 MR. ARMSON: A. Well, the paragraph, it
8 is on the -- it's the back page, but the page number is
9 185 of the Forestry Chronicle, and if you go to the
10 left-hand column it is the first -- the uppermost
11 complete paragraph which begins:

12 "What about the efficiency of fire
13 management operations..."

14 And I read the second sentence in its
15 entirety.

16 Q. Well, as I understand the following
17 paragraphs I think there is a suggestion, Mr. Armson,
18 that the recent change in the pattern, if you will, the
19 recent increase in the number of fires is perhaps
20 linked to climate and, in fact, that is the speculation
21 we find in the last two paragraphs on that page and in
22 fact -- well, the Board can read that.

23 THE CHAIRMAN: He hasn't provided the
24 answer, he posed the question.

25 MR. LINDGREN: That's correct.

1 THE CHAIRMAN: I think that's the gist --

2 MR. ARMSON: I think the point is -- if I
3 may, Mr. Chairman, I think that the author is very
4 clear. He says, if you go to the third paragraph in
5 the second sentence, the author states - and he is
6 referring to the variation throughout this entire
7 period, the 30-fold change throughout the seven
8 decades - he says:

9 "The principal external factor is
10 obviously the weather."

11 Now, the weather is related to climate
12 but it's something different, and then the sentence in
13 which he raises the question: "Is this pattern..." is
14 in the bottom paragraph and, again, it is in the second
15 sentence:

16 "Is this pattern linked to some periodic
17 or gradual shift in climate..." which I
18 think is justified by the question.

19 MR. LINDGREN: Q. Can you provide a
20 brief answer to that question? In your opinion is the
21 pattern linked to a periodic or gradual shift in
22 climate?

23 MR. ARMSON: A. Dr. van Wagner is the
24 specialist. I could not provide an answer to it yes or
25 no, I have no idea.

1 Q. Fair enough. Can I ask you to turn
2 to --

3 MRS. KOVEN: Excuse me. Mr. Armson?

4 MR. ARMSON: Yes.

5 MRS. KOVEN: Has there been any work done
6 on -- we heard earlier about the effects of harvesting
7 on the micro-climate of the forest--

8 MR. ARMSON: Yes.

9 MRS. KOVEN: --in terms of harvesting
10 mixed forests, the forests are dryer for example, and
11 those kinds of things. Is there any work on the
12 effects of harvesting on the micro-climate that might
13 be related somehow to fire, an increased risk of fire?

14 MR. ARMSON: It would only be to my
15 knowledge, and I can't cite a specific reference, in
16 that if you open up a forest and expose it to more
17 sunlight, the wind and so on, there is a drying effect,
18 but it is a micro-climatic one.

19 In that specific location, yes, that will
20 obviously change the nature of the fuel, the organic
21 material. But I think what Dr. van Wagner is referring
22 to here, and he is dealing with the Canadian context,
23 is much broader, a climatic change in a much broader
24 sense than the one to which you refer.

25 MR. LINDGREN: Q. Now, Mr. van Wagner

1 did find a pattern which indicated a decrease from the
2 1920s to the 1960s, then a steep increase in the early
3 1980s and he found that on the Canadian historical burn
4 patterns.

5 Are you in a position to advise me
6 whether or not the same pattern has occurred here in
7 Ontario?

8 MR. ARMSON: A. There has been -- I
9 believe if the statistical records which are in the
10 statistics year by year, that there has been a change
11 in the area burned. It some ways it's quite erratic,
12 but I couldn't say definitely one way or the another.
13 I haven't analysed those data.

14 Q. Well, perhaps I can refer you to
15 Exhibit 29 which is the 1987 MNR Statistics and, in
16 particular, I would refer you to page 98 and 99 where
17 we do find the forest fire records.

18 A. Yes, I have that.

19 MS. BLASTORAH: What page was that?

20 MR. LINDGREN: 98 and 99.

21 Q. Now, looking at the third column from
22 the right.

23 MR. ARMSON: A. Excuse me, I have the
24 statistics for the most recent published one. I am
25 sorry, 1987/88.

1 Q. I was referring to Exhibit 29. I'm
2 not sure if the more recent one has been filed yet.

3 MS. BLASTORAH: I believe it has, Mr.
4 Chairman. I believe it is Exhibit 500 and something
5 but I will have to check that.

6 THE CHAIRMAN: It looks like 394. Is
7 this the most recent one?

8 MS. BLASTORAH: Yes, that's the most
9 recent one. 1987/88.

10 THE CHAIRMAN: 1987.

11 MS. BLASTORAH: Unfortunately I don't
12 have that one here because he advised he was going to
13 be using Exhibit 29.

14 MR. LINDGREN: Q. In any event, Mr.
15 Armson, looking at pages 98 and 99 and looking at the
16 third column from the right, can you confirm that it
17 would appear that in Ontario since the late 70s and
18 early 80s; i.e., when intensive management began, the
19 total area burned has generally increased from the
20 earlier decades although, again, there are peaks in the
21 earlier decades?

22 MR. ARMSON: A. There are, that's
23 correct, but the magnitude in total hectares from
24 the -- particularly from 1974 on and the frequency of
25 those magnitudes, large areas, yes, they are quite

1 evident. I would not agree to your linking them to the
2 intensity of management.

3 Q. Would you also agree that since the
4 70s and early 80s, the time frame that we are referring
5 to, the total area burnt per fire has also increased?

6 A. The area per fire, according to those
7 statistics, is quite variable and, in fact, I don't
8 know that I would agree they have increased.

9 If you look back into '61, for example,
10 there is probably -- the largest area per fire for that
11 period and then going to page 98, there are some quite
12 considerable variations but not quite as high as the
13 1960s. I don't know if I would draw your conclusion
14 that the area per fire... There was a fixed
15 relationship, there is a connection, but I don't know.

16 Q. I think you've agreed a few minutes
17 ago that the total area and the total number of fires
18 have increased in the 70s and 80s?

19 A. That is correct.

20 Q. And that is despite or in spite of
21 existing fire suppression methods or policies; is that
22 correct?

23 A. Well, it has happened.

24 Q. It has happened, that's right. Would
25 you agree with me then that the incidence and magnitude

1 of fire, or just in general, the incidence and
2 magnitude of fire are really caused or related to
3 forests larger than what we might see under alternative
4 A? You can't simply say alternative A will result in
5 bigger and more fires?

6 A. I would say that the proposition that
7 if you do not suppress as many fires under alternative
8 A as under some other alternative, the logic seems to
9 be very inescapable that those fires will burn, and
10 burn larger in general.

11 Q. Well, let's continue on with our
12 discussion of fire, Mr. Armson. After the first two
13 bullets that I've referred to on page 28, there is an
14 indication that under alternative A, because Crown
15 forests would be subject to natural forces, the trend
16 would be towards pre-logging, pre-fire suppression
17 conditions.

18 Now, Mr. Armson, the boreal forest is a
19 succession forest; is that right?

20 A. Yes. All forests are succession
21 forests in one way or another.

22 Q. And the boreal forest has in fact
23 adapted to natural disturbances like wildfire?

24 A. Yes.

25 Q. And if your assumptions are correct

1 and we do have a return to the original pre-logging,
2 pre-fire boreal forest, is that necessarily a bad
3 thing?

4 A. No, there is no suggestion. It is
5 under that alternative that that is what -- to the best
6 of my knowledge and experience, that is what would
7 occur. It is neither good nor bad, it is just a fact.

8 Q. Okay. Dr. Allin.

9 THE CHAIRMAN: Excuse me a moment. Mr.
10 Armson, regardless of whether or not fire suppression
11 efforts would be viewed to be better through timber
12 management where you would carry out these efforts, or
13 by doing nothing, including no fire suppression whereby
14 the impacts on the forest would be the fires will
15 ultimately go out and the forest will return, et
16 cetera, how do you consider things like fire impression
17 as an impact on the environment when you also define
18 the environment to include social, economic and
19 cultural impacts or impacts against man itself?

20 By that I mean, if society has a choice
21 of letting a fire endanger of mankind who are out there
22 because they are out there in some community or not,
23 would it not be logical to assume that no government
24 would just sit back and do nothing and see a particular
25 community or a particular group of persons' life

1 endangered by doing nothing?

2 MR. ARMSON: I agree, Mr. ---

3 THE CHAIRMAN: In other words, you
4 wouldn't practise the nil alternative under any
5 circumstances if a fire occurred naturally, endangered
6 the life and property of a community, and there was the
7 option of going in and trying to put it out or at least
8 save the property or at least prevent endangerment of
9 life?

10 I mean, regardless of environmental
11 assessment, that is not a viable practical option for
12 society at this point in time. Would you agree with
13 that?

14 MR. ARMSON: I would agree, Mr. Chairman.
15 And, in fact, one of the assumptions for alternative A
16 is - this is the first bullet at the top of page 28 -
17 is that we have assumed that fire protection on Crown
18 land would be restricted to protecting life and
19 property.

20 And I think, as I pointed out in the
21 direct evidence, that when a fire -- all fires are
22 responded to and we are assuming that in alternative A,
23 that that would also include a judgment by whoever
24 inspected the fire, whether in their judgment the
25 predicted progress of that fire would endanger. In

1 other words, it might not be endangering right now, but
2 in terms of the condition, could it, and I have no
3 doubt then there would be an attempt to suppress it.

4 So we are not removing suppression
5 totally, we are saying that where there are only timber
6 values, no other values, then this suppression would
7 not occur.

8 MR. LINDGREN: Q. Dr. Allin, can I refer
9 you to page 37 of the witness statement where there is
10 a discussion of the impact of increased fire on water
11 values.

12 DR. ALLIN: A. Yes.

13 Q. Now, under the discussion of
14 alternative A we find in the first bullet a statement
15 that:

16 "Both the total area burned and the area
17 burned intensely by wildfire would
18 increase leading to increased water yield
19 and peak flows and more waters in a given
20 time period than for the other
21 alternatives."

22 And then you go on to say:

23 "In general these natural effects
24 would...be negative."

25 Can I first ask you, how long would these

1 effects last?

2 A. Well, at any given site, the evidence
3 that we have from available literature and that we
4 discussed in Panel 10, would suggest that the effects
5 would last -- it varies, but would last for several
6 years in that order, four or five years.

7 Q. So, in other words, over the long
8 term the effects would balance out, or in the long term
9 these effects would balance out and/or diminish over
10 time?

11 A. I'm not sure what you mean by
12 'balance out'.

13 Q. Well, you've indicated that these
14 effects will occur and will occur in a short period of
15 time; i.e., peak flow and an increased water yield?

16 A. Yes.

17 Q. I think the evidence to this point
18 has been that over time that will balance out?

19 A. Well, I would think that you would
20 have repeated effects because it's my understanding
21 that under alternative A fire frequency will increase.
22 In other words--

23 Q. Would you get it in the same area?

24 A. --areas will be burned more
25 frequently. Yes, the same area will be burned more

1 frequently.

2 Q. Now, you've indicated -- you've made
3 a comparison in terms of this impact, vis-a-vis the
4 other alternatives, and you have indicated that
5 alternative A would result in more of an impact.

6 Can I ask you this, Dr. Allin: What is
7 the percentage difference in water yield increases
8 caused by timber management versus water yield
9 increases caused by wildfire?

10 A. I don't know that I can give you
11 precise percentage differences. If we go back to
12 evidence in Panel 10, again, the comparison that seemed
13 most appropriate was to compare the results of two
14 studies done in the experimental lakes area, one which
15 involved a wildfire and one which involved
16 clearcutting.

17 And I don't remember the exact figures,
18 but I would say that the increases in water yield were
19 fairly comparable. I mean, they are not --

20 Q. There are no differences; is that
21 what you're saying?

22 A. Well, I wouldn't say that there are
23 no differences, but I would say that the increases in
24 water yield were fairly similar.

25 Q. Well, just picking up on that point

1 then, Dr. Allin, we have heard often in this hearing
2 that harvest and timber management is beneficial
3 because essentially these practices mimic the effect of
4 wildfire and the forest responds accordingly.

5 Now, in your discussion of the effects
6 under alternative A there is a suggestion that the fire
7 effects are somehow negative or bad, and I'm just
8 wondering: How can you have it both ways; is fire good
9 or is fire bad?

10 A. Well, I've never contended the first
11 point. I think that was other witnesses that made that
12 comparison. If you look at the effects of fire with
13 respect to water yields, water temperature and
14 nutrients, I have to conclude on the basis of the
15 information that I have available that those effects
16 are negative on balance.

17 Q. Wildfire effects are negative on
18 balance?

19 A. Yes, for the aquatic environment
20 specifically.

21 Q. And what about the aquatic effects
22 caused by timber management?

23 A. Well, to the extent that water yield
24 effects, for example, would be similar, then I would
25 also characterize those as negative on balance.

1 Q. And what about the other effects that
2 you've mentioned; i.e., nutrient input?

3 A. Well, as I indicated in Panel 10,
4 nutrient inputs can be both positive and negative
5 depending on circumstances. It depends, for example,
6 on the existing nutrient status of the particular lake
7 that you're dealing with, it depends on the amount of
8 nutrients and the length of time that those nutrients
9 are added and, as we indicated in Panel 10, we have
10 treated that as negative, even though in some
11 situations a small amount of nutrients might actually
12 be a positive effect.

13 Q. Okay, thank you. And before I leave
14 this subject, Dr. Euler, can I ask you a question.

15 Isn't it true that under alternative A
16 wildfire will mimic what the Ministry claims timber
17 management will do; and, that is, provide succession
18 habitat?

19 DR. EULER: A. I'm just thinking about
20 that question a minute. And I think what you said was:
21 Isn't it true that under alternative A timber
22 management will mimic --

23 Q. No, fire will mimic what timber
24 management is professed to achieve, which is to provide
25 a wide variety of succession habitat?

1 A. Oh, yes.

2 Q. Okay, thank you.

3 Mr. Bisschop, I guess I am back to you
4 and I'm back to page 28.

5 MR. LINDGREN: And I apologize, Mr.
6 Chairman, I seem to be going backwards as well. That's
7 only momentary.

8 Q. The last bullet on that page, Mr.
9 Bisschop, there is a statement that:

10 "High transportation costs and the desire
11 of other jurisdictions to have wood
12 processed within their boundaries would
13 rule out large scale imports of raw fiber
14 into Ontario."

15 What evidence does the Ministry have to
16 support that statement?

17 MR. BISSCHOP: A. I'm not sure whether
18 evidence has been given on that. I think the statement
19 says that there are high costs of transporting wood
20 into the province, which is factual I think, and the
21 other part of the statement indicates what I think is
22 the growing position in North America with respect to
23 the wood products industry, where individual
24 jurisdictions wish to export manufactured products not
25 the raw material itself, in order to, of course,

1 achieve the greatest economic benefits within their own
2 jurisdiction.

3 I think that's the simple essence of what
4 that statement is trying to address.

5 Q. But in your answer I think you have
6 indicated, up until your answer right now, there has
7 been no evidence led on those issues?

8 My question is: Has the Ministry ever
9 attempted to quantify these costs and compare them to
10 the costs of intensive management in this province?

11 A. We haven't done that and, to the best
12 of my knowledge, we haven't led evidence on that,
13 although I'm not sure on that.

14 Q. Has the Ministry ever attempted to
15 determine if it would be cheaper to purchase wood
16 elsewhere and process it here rather than try to grow
17 expensive plantations on sites of low productivity?

18 A. I'm not aware of any analysis of that
19 sort.

20 Q. Can I refer you to Table 1 on page
21 30. Now, looking at portions B and C of this table,
22 there is an indication that we export approximately
23 1.3-million cubic metres of roundwood and we import
24 almost a million -- it's 994,000 I guess.

25 Would you agree with me that we appear to

1 import 77 per cent of what we export in the form of
2 roundwood?

3 A. Assuming your mathematics is correct,
4 that's the conclusion of that analysis of those
5 figures, yes.

6 Q. Well, assuming the figures are
7 correct and looking at items B and C, Ontario appears
8 to import more roundwood than is exported from Crown
9 land; is that correct?

10 A. That's my understanding of the
11 figures.

12 Q. Now, Ontario and indeed Canada also
13 both export and import other products such as woodchips
14 and softwood lumber, pulp and newsprint and other
15 items; is that correct? I mean, that's not found on
16 the table, but that is true; isn't it?

17 A. I honestly don't know yes or no to
18 that, I assume yes. If we deal with roundwood it is --
19 I assume we also deal with chips, for example.

20 Perhaps Mr. Duncanson is better able to
21 answer that question.

22 Q. Mr. Duncanson, can you give me a yes
23 or a no to that question. We surely export more than
24 roundwood?

25 MR. DUNCANSON: A. Sorry, are we

1 referring to Ontario or Canada?

2 Q. Ontario and Canada?

3 A. Well, which do you want to start --

4 Q. Well, give me an answer for Ontario
5 and an answer for Canada.

6 A. In referring to page 30, Table 1, I
7 believe that most of the export and imported roundwood
8 is within Canada; i.e., it is roundwood coming in from
9 Quebec and roundwood going back to Quebec; the trade
10 between provincial borders.

11 It's my understanding that there is very
12 little Ontario wood exported to the U.S. or very little
13 Ontario wood that's imported from other jurisdictions
14 other than other provinces.

15 In Canada, there is a trade in roundwood
16 on the east coast, quite a bit of it is inter-company
17 trade, and on the west coast the numbers have dropped
18 significantly over the last three to four years, but
19 there is a small portion of exported woodchips and
20 there is an ever decreasing amount of logs exported
21 from B.C.

22 THE CHAIRMAN: Mr. Lindgren, where are
23 you going with this line of questioning? Are you going
24 to be adducing in your own case the concept of: Don't
25 harvest in Ontario, import the wood from elsewhere and

1 concentrate on manufacturing?

2 MR. LINDGREN: That is a possibility, Mr.
3 Chairman. For economic and environmental reasons that
4 may well be the position of our client when we adduce
5 our own evidence or the position of other parties.

6 I think this line of questioning will be
7 made clear when I file the next two exhibits, the first
8 of which is an extract from the Selected Forestry
9 Statistics Canada, 1986, published by the Government of
10 Canada. (handed)

11 THE CHAIRMAN: Thank you. This exhibit
12 will be Exhibit 1002.

13 ---EXHIBIT NO. 1002: Extract from the Selected
14 Forestry Statistics Canada, 1986,
15 published by the Government of
Canada.

16 THE CHAIRMAN: I think you gave us the
17 same exhibit as 1001, at least you gave me a copy of
18 the same one I think.

19 MR. LINDGREN: Sorry. (handed)

20 THE CHAIRMAN: Thank you.

21 MR. LINDGREN: Q. Now, Mr. Duncanson, I
22 assume that you've had an opportunity to look at this
23 extract before?

24 MR. DUNCANSON: A. Yes. These
25 statistics are 1985, the table was published in '86.

1 Q. Correct. Now, looking at the total
2 imports and exports of roundwood, and you find this on
3 the far left-hand column on both pages, can you confirm
4 that Canada appears to import more roundwood than it
5 exports and that it exports some 2.8-million cubic
6 metres of roundwood but imports some 3.5-million cubic
7 metres of roundwood?

8 A. That's what they did in 1985.

9 Q. Is that still the case to your
10 knowledge?

11 A. I think with the new legislation in
12 British Columbia, where most of your roundwood exports
13 are, there is a severe export tax now on logs from B.C;
14 it is a hundred per cent capital gain. I think that
15 when the statistics come out for the current -- this
16 past year, 1989, I think you will find that the exports
17 diminished significantly.

18 Q. But we don't know that yet?

19 A. There are some statistics that the
20 Council of Forest Industries in B.C. are working on and
21 probably will have them released by the end of this
22 year that will indicate a significant drop.

10 23 Q. Can I ask you to look at the figures
24 for the United States. And, again, there is an
25 indication that we import some 3.5-million cubic metres

1 of wood from the States and would export some 800,000
2 cubic metres. This is at pages 81 and 82 of this
3 exhibit.

4 Now, assuming those figures are correct,
5 Mr. Duncanson, it would appear that we, Canada - when I
6 say we - Canada appears to import approximately four
7 times as much roundwood as it exports to the United
8 States; is that correct?

9 A. Yes.

10 Q. Do you have any suggestion or any
11 evidence suggesting that is no longer the case?

12 A. I believe that you would find that
13 the exports to the States have dropped from that
14 number, probably this is -- you know, based on my
15 ongoing day-to-day analysis of the Canadian industry.
16 My guess is that the exports of roundwood from this
17 country, from Canada, probably halved over this time
18 period.

19 The amount of imported wood has probably
20 remained pretty well static. There have been some new
21 mills in eastern Canada, in particular the new mill
22 that Domtar started up in Windsor, Quebec which is very
23 close to the New England border, Vermont and New
24 Hampshire in particular, and that mill is -- will be
25 sourcing quite a bit of wood from the U.S.

1 So if other jurisdictions have increased
2 that would more than offset it. So I would say that
3 that number of 3.5-million cubic metres is probably
4 accurate in the current, you know, current time frame.

5 MRS. KOVEN: Mr. Duncanson, I didn't pick
6 up the one comment. You said that the export/import
7 figures within Canada are primarily intra-company
8 exchanges?

9 MR. DUNCANSON: Yes.

10 MRS. KOVEN: And that applies to the
11 U.S./Canada pattern as well, or no? Those are sales to
12 other companies, inter-company rather than --

13 MR. DUNCANSON: I'm referring to Canada
14 in particular. The company that I am mainly referring
15 to is Fraser which has extensive timber limits and owns
16 land in Maine, in fact I think they are probably one of
17 the largest landowners in Maine.

18 And the main reason they bought those
19 forest lands in Maine was to supply their mill which is
20 primarily in Edmunston, New Brunswick. So those
21 numbers are included in these statistics and that is
22 what I meant by inter-company.

23 MRS. KOVEN: Mm-hmm.

24 MR. DUNCANSON: I hope that is clear.

25 MRS. KOVEN: Yes.

1 THE CHAIRMAN: The same would occur with
2 Boise; wouldn't it, as well?

3 MR. DUNCANSON: Very, very much so.

4 THE CHAIRMAN: In terms of Minnesota and
5 Ontario?

6 MR. DUNCANSON: No, I don't believe there
7 is a lot of roundwood coming in from Minnesota into
8 Ontario.

9 MR. LINDGREN: Q. Just to perhaps
10 summarize this evidence, it would appear that some of
11 the Canadian industrial demands for roundwood is being
12 met with imports from other jurisdictions; is that
13 correct?

14 MR. DUNCANSON: A. Yes.

15 Q. Would that be true of Ontario as
16 well?

17 A. No, Ontario -- the Ontario industry,
18 as I tried to indicate, going across the province most
19 of your imported roundwood into the province would be
20 from -- some Quebec and I know the Cornwall mill down
21 on -- because of its location right on the U.S. border
22 imports some roundwood, hardwood from New York State.

23 So the percentage of roundwood imported
24 into Ontario would be very small. The major importing
25 provinces would be in the Maritimes.

1 Q. Is it the Ministry's view that the
2 importation of primary wood products such as roundwood
3 or other primary products, is it the Ministry's view
4 that the importation of those products into Ontario
5 will increase or decrease in the future?

6 A. I am not employed by the Ministry.

7 Q. Is there any Ministry witness here
8 who can speak on behalf of the Ministry?

9 MS. BLASTORAH: Mr. Chairman, perhaps Mr.
10 Duncanson could give his view, if that would be helpful
11 to Mr. Lindgren. It may be he phrased the question...

12 MR. LINDGREN: Well, I am interested in
13 the Ministry's view, not necessarily in his personal
14 view. I have always understood these witnesses to be
15 speaking on behalf of the Ministry.

16 MS. BLASTORAH: Well, I was just about to
17 say, for the purposes of the hearing certainly the
18 Ministry will rely on Mr. Duncanson's evidence on that
19 point.

20 THE CHAIRMAN: I was going to say, let
21 him give his view and then ask the question, if
22 necessary, does the Ministry rely or adopt that view.

23 MR. DUNCANSON: Could you repeat the
24 question?

25 MR. LINDGREN: Q. Is it the Ministry's

1 view that the importation of primary wood products into
2 this province will increase or decrease in the future?

3 THE CHAIRMAN: In Ontario?

4 MR. LINDGREN: Q. In Ontario.

5 MR. DUNCANSON: A. I can't see it
6 increasing, and my impression would be that it would
7 remain static or decrease.

8 Q. And does the Ministry adopt that
9 answer?

10 MR. FREIDIN: That's our evidence. We
11 assume that all of the evidence that Mr. Duncanson
12 gives is adopted by the Ministry. We called him as our
13 witness.

14 MR. LINDGREN: Q. Returning to Exhibit
15 1002, Mr. Duncanson.

16 MR. DUNCANSON: A. This is the forest --

17 Q. The stats, correct. And I am looking
18 at page 83 and it would appear at this point Canada
19 does not appear to import primary wood products or wood
20 fiber from South America; is that correct?

21 A. That is -- very negligible amounts.

22 Q. That is true of Ontario as well?

23 A. My belief that almost all of those
24 shipments, just because of the nature of inland
25 transportation costs, probably you would find that the

1 destination of those products from South America would
2 more than likely be close to tide water, if not
3 entirely tide water.

4 THE CHAIRMAN: What does that mean?

5 MR. DUNCANSON: Well, they would be --
6 they would probably be purchased for Maritime
7 locations.

8 THE CHAIRMAN: Oh, I see. Okay.

9 MR. DUNCANSON: Perhaps some -- I know
10 one or the two paper mills in New Brunswick, I know the
11 Irving mill in Saint John in fact imports a little bit
12 of fiber from Brazil.

13 THE CHAIRMAN: So the cost of bringing it
14 inland would prohibit effectively, in practical terms,
15 any jurisdiction other than a coastal jurisdiction from
16 importing in that sense?

17 MR. DUNCANSON: Yes, yes.

18 MR. MARTEL: That is primarily though in
19 teak and exotic woods like that that are used in other
20 products?

21 MR. DUNCANSON: That is correct. I
22 believe a very large portion of the other wood products
23 would be teak, mahoganies, mainly wood that would be
24 used in the Maritimes in the boat building, ships,
25 decks, pleasure boats.

1 THE CHAIRMAN: But where would Canada
2 meet the demand for woods that Canada does not produce;
3 in other words, we don't grow teak here; do we?

4 MR. DUNCANSON: No.

5 THE CHAIRMAN: So you would have to
6 import it if you had any kind of demand for the use of
7 a wood that you couldn't produce in Canada in any
8 event, whether or not it's the Maritimes, or B.C., or
9 any of the coastal provinces?

10 MR. DUNCANSON: That's correct.

11 THE CHAIRMAN: And you would have to pay
12 the increased transportation costs to meet that demand
13 regardless?

14 MR. DUNCANSON: That's correct.

15 THE CHAIRMAN: Okay.

16 MR. LINDGREN: Q. Mr. Armson, if I could
17 turn briefly to you.

18 MR. ARMSON: A. Yes.

19 Q. In your previous testimony in
20 previous panels you were describing some of the soil
21 characteristics of the forest and some of the more
22 tropical regions of the world.

23 Do you recall that testimony? I believe
24 it might have been in Panel 4 or Panel 9.

25 A. I don't believe I described the soil

1 properties in tropical regions, particularly; I
2 described many of the attributes of the soils in this
3 part of the world, but I don't -- would you be specific
4 and --

5 Q. I can obtain the transcript
6 reference. I believe it was prompted by a question
7 from the Chairman who was comparing what we have here
8 to what might exist elsewhere in terms of the rain
9 forest characteristics?

10 A. It may have been, if I recollect, Mr.
11 Chairman, about the nature of the forest floor and the
12 organic materials particularly, yes.

13 Q. And during that discussion I believe
14 that you indicated that this type of forest floor, this
15 type of site is quite productive, is quite a productive
16 soil in general?

17 A. This, the tropical one?

18 Q. Correct, tropical.

19 A. Yes, it varies but, yes, it can be
20 quite productive.

21 Q. And this in turn can result in
22 quicker growth, shorter rotation periods and higher
23 yields than what we might see here in Ontario?

24 A. That is correct.

25 MR. LINDGREN: Mr. Chairman, I would like

1 to file another exhibit at this time, an article by
2 Roger Sedjo, S-e-d-j-o, entitled: An Economic
3 Assessment of Industrial Forest Plantations published
4 in 1984 in the Forest Ecology and Management Journal.

5 THE CHAIRMAN: Exhibit 1003.

6 MR. LINDGREN: (Handed)

7 ---EXHIBIT NO. 1003: Article entitled: An Economic
8 Assessment of Industrial Forest
9 Plantations, published in the
Forest Ecology and Management
Journal, 1984, by Roger Sedjo.

10 MR. LINDGREN: Q. Now, Mr. Armson, I
11 assume you have had an opportunity to read this?

12 MR. ARMSON: A. Yes, I have.

13 Q. Can you confirm that the author here
14 predicts that as the world moves from the reliance on
15 old growth forests to second growth plantations, the
16 economics of plantations in the southern hemisphere
17 suggests that these plantations will play a greater
18 role in meeting the global wood requirements.

19 And he goes on to suggest that this will
20 result in a major restructuring of the world's forest
21 products production and trade patterns.

22 Is that a fair summary of this article?

23 A. That is correct.

24 Q. Do you agree with this assessment?

25 A. I am not familiar with the southern

12 1 hemisphere plantations apart from New Zealand and a
2 small area in Australia, but I accept Mr. Sedjo's
3 conclusions.

4 Q. Now, if these more productive
5 plantations keep expanding, as he suggests they might,
6 would you agree that there will be an increased supply
7 of raw wood fiber and/or wood products to be purchased
8 abroad?

9 A. There may be some that will be
10 purchased. Mr. Sedjo also puts a caveat here in that
11 there is a considerable cost to the development in
12 those areas, and I believe he speaks of something like
13 a 20 per cent level, and that is a factor that will
14 enter into it.

15 And a second factor, if I might, will be
16 that while there will be increased production, there
17 will also, presumably in those areas, be increased
18 consumption, that is the per capita use of the wood
19 products produced. It will probably go up too, though
20 I have no idea what the dimension would be.

21 THE CHAIRMAN: Mr. Armson, where would
22 the whole movement that seems to be out there to
23 protect rain forests, particularly in the southern
24 hemisphere, where will that play a role in terms of
25 limiting the production capabilities in the southern

1 hemisphere?

2 MR. ARMSON: It would be my opinion, Mr.
3 Chairman, that in certain of the countries, and Brazil
4 I would believe would be one, but I am not speaking
5 from any firsthand knowledge of Brazil, there would be
6 increasingly a pressure that would constrain or
7 restrict the establishment and expansion of many of
8 those types of plantations, though what that would be
9 in quantifiable terms I couldn't say.

10 MR. LINDGREN: Q. Now, a moment ago and
11 just to finish this off, Mr. Armson, I believe you
12 agreed that if this article or the suggestions in the
13 article are correct that there will be an increased
14 supply of raw wood fiber to be purchased or wood
15 produced to be purchased abroad.

16 Has that been factored into the
17 Ministry's long-term plans for managing Ontario's
18 forest resources?

19 A. The purchase of wood from South
20 America? Not to my knowledge.

21 Q. Okay. Now, has the Ministry
22 conducted any studies or literature reviews to suggest
23 that this is not a realistic or cost effective
24 possibility?

25 A. I am not aware of that.

1 Q. Thank you. Mr. Bisschop, can we turn
2 to the assumption or some of the assumptions underlying
3 alternative B.

4 THE CHAIRMAN: Excuse me, just one
5 second, Mr. Lindgren.

6 Mr. Armson, when the Ministry is
7 evaluating what options are available to them in terms
8 of wood production, do they ever take into account
9 questions like, even if the wood fiber were available
10 elsewhere, if it's the same type of fiber that is
11 available in Canada, within our jurisdiction, would we
12 be concerned about any vulnerability questions of
13 having the supply cut off because of a political
14 situation or a strike in terms of transportation, a
15 world-wide -- not a world-wide, but a shipping strike,
16 whatever, the same way that the Western World - and I
17 believe without any evidence and I am speaking from
18 general knowledge - is concerned about being vulnerable
19 to the same sorts of things in terms of oil production?

20 In other words, if it is cut off from the
21 Middle East or South America, we may have a big problem
22 here; if we can produce it here, because it's available
23 here, we would rather rely upon our own markets
24 producing that because we have total control over our
25 own markets and not necessarily total control over

1 foreign jurisdictions or external factors to what we
2 can control?

3 MR. ARMSON: I believe I understand and I
4 think I can answer that question in this way.

5 First of all, in my period with the
6 Ministry and my general understanding is that the
7 forests of the province constitute an asset that can be
8 developed or utilized to further the people of this
9 province.

10 Where there is -- and in fact if that can
11 be done without relying on external sources, and I
12 think this comes to the heart of the matter, we have a
13 very good example of where the Ministry in cooperation
14 with one particular company, and that company has also
15 been referred to by Mr. Duncanson, the Cornwall mill of
16 Domtar relies very heavily on imported wood from
17 company owned lands in the Adirondacks in upstate New
18 York and from wood from Quebec, and the program that
19 the Ministry developed particularly focused around two
20 things; hybrid poplar establishment within a radius of
21 something like 25 or 50 miles of Cornwall, and a joint
22 Ministry/company program to further the management of
23 existing woodlots.

24 That program was entered into very
25 specifically with regard to that mill having a much

1 greater assured supply from within the province than
2 from without. And I think that is an example I would
3 cite as I believe answering your question in that
4 respect.

5 THE CHAIRMAN: Thank you.

6 MR. LINDGREN: Q. Now, Mr. Bisschop,
7 referring to alternative B, last week you were
8 describing this alternative and you indicated that as
9 wood supply gets tighter under this scenario you will
10 try to minimize reserves by developing prescriptions
11 that are less conservative. Do you recall that
12 testimony?

13 MR. BISSCHOP: A. Yes, recognizing that
14 it would still be prescriptions that lay within the
15 bounds that are provided in the flexibility of the
16 guidelines.

17 Q. I am reading from Volume 171 of the
18 transcripts, page 30430.

19 MS. BLASTORAH: Well, Mr. Chairman, I
20 wasn't aware we were going to require this, so I don't
21 have a copy here. I may have --

22 MR. LINDGREN: I intend to read it and
23 ask a question on it, if that's --

24 MS. BLASTORAH: Again, I may have to ask
25 time to get the transcripts so the witness can have a

1 copy.

2 THE CHAIRMAN: When are we planning to
3 break for lunch?

4 MR. LINDGREN: I am in your hands, Mr.
5 Chairman, I could break at any time, as long as it's
6 relatively short break.

7 THE CHAIRMAN: Are you going to be
8 finishing today?

9 MR. LINDGREN: That is my every
10 intention, sir. I will be done at 2:59, if not
11 sooner.

12 MR. CASSIDY: Could you mark that down.

13 THE CHAIRMAN: And what kind of a lunch
14 break were you contemplating?

15 MR. LINDGREN: Well, the usual 45 minutes
16 on a get-away day. This would be as convenient a time
17 as any, if Mr. Bisschop requires the transcript.

18 MS. BLASTORAH: I don't know whether he
19 will, that was why I asked --

20 THE CHAIRMAN: Why don't you ask the
21 question.

22 MR. LINDGREN: Well, I will read the
23 statement, I will ask my question based on it.

24 Q. You did make the point that you will
25 make the prescriptions but they are still within the

1 bounds of the flexibility provided by the guidelines
2 and you went on to say:

3 "For example, where there are options of
4 reserve and some modifications, we would
5 lean in the direction of modifying
6 operations. The key point here is that
7 application of guidelines themselves is
8 not less rigorous, rather we would be
9 doing a much more rigorous application of
10 the area of concern planning process by
11 making increased efforts at gathering the
12 information necessary to apply the
13 guidelines properly."

14 Now, Mr. Bisschop, my question to you is
15 this: Does that statement mean that the current AOC
16 planning process is not being as rigorously applied as
17 it could be?

18 MR. BISSCHOP: A. No, I don't think it
19 means that. It means that as we -- in the situation I
20 described, as wood supply gets tighter and we realize
21 that the conifer material that's available, for example
22 in the vicinity of shorelines, is required to meet the
23 demands, we would make sure that we got -- we directed
24 the efforts to getting the detailed information on the
25 conditions encountered in any area of shoreline to

1 apply the particular prescription in each situation
2 that adequately protects the value.

3 So we would be looking at, for example,
4 in one shoreline versus another, the relative abundance
5 of a particular quality of conifer sawlog material; for
6 example, we would be looking at more detail of what
7 exists in each individual situation so that we could
8 meet our supply requirements, yet apply the guidelines
9 in such a way as we are providing the protection that
10 the guidelines require.

11 It's more of a -- I guess what I would
12 say, it's more of a detailed case-by-case analysis.

13 Q. Well, you did make the suggestion
14 that there would be an increased effort at gathering
15 the information necessary to apply the guidelines
16 properly. In other words, does that mean that you
17 could be applying more effort today to gather the
18 necessary information?

19 A. And today lean in the direction of
20 producing less conservative prescriptions; yes, we
21 could be doing that today. The pressures aren't as
22 great today generally because we have -- we are not
23 having the same kind of wood supply difficulties to
24 address.

25 THE CHAIRMAN: But isn't the key in the

1 answer to that question the fact that you don't have to
2 apply the guidelines less conservatively because you
3 are not going into the reserve to extract the wood in
4 those areas where you are not applying them that
5 rigorously; is that not the case?

6 MR. BISSCHOP: You mean in terms of the
7 current situation we're dealing with?

8 THE CHAIRMAN: Yes. In the current
9 situation you don't have to have all of the information
10 you might otherwise need around a shoreline if you
11 don't intend to cut around that shoreline in any event
12 at this point in time?

13 MR. BISSCHOP: The point is we don't have
14 the demands for the wood so that we can prescribe the
15 reserve prescriptions from the range of options
16 available in the guidelines. If we need the wood, we
17 are going to start looking at the options more
18 carefully.

19 MR. LINDGREN: Q. Now, you have just
20 indicated that you would probably lean towards
21 modifying operations. In the second bullet on page 29,
22 Mr. Bisschop, in the discussion of the assumptions
23 under this scenario is an indication that:

24 "...none of the regeneration treatments
25 (including modified harvest) or

1 maintenance activities described in..."

2 previous "...panels would take place."

3 How do you reconcile your testimony with
4 that statement in the witness statement?

5 MR. BISSCHOP: A. That statement simply
6 says that we would not direct any effort of man towards
7 renewal, in those situations we would rely on nature to
8 renew the forest.

9 Q. Well, I think in your own testimony
10 you said you would modify operations, and here you are
11 saying you are not going to modify operations.

12 A. There is a difference between the
13 modifications of operations I have talked about and the
14 term modified harvest.

15 The term modified harvest refers to the
16 techniques available in silvicultural guides to manage
17 various species and site conditions. When I am talking
18 modifications in the context I have described it, it's
19 modifications that address protection of other values.

20 Q. Mr. Bisschop, in this hearing we have
21 heard considerable evidence that clearcutting can be
22 regarded as a silvicultural or regeneration treatment
23 in and of itself.

24 This is found at page 38 of the Class EA
25 line 21 - it's not necessary to refer to it, I don't

1 think - and as well we find in Exhibit 29, page 17 that
2 clearcutting is listed as a regeneration treatment.

3 Now, this alternative seems to be based
4 on the assumption of no regeneration activity. Does
5 that mean that clearcutting would not be used under
6 this alternative, and if it is not and if you are not
7 going to modify the cut, exactly what is being done in
8 terms of harvest, what is the scenario here?

9 A. The scenario is that we would carry
10 out harvest operations without consideration of any
11 special practices we might carry out that would
12 encourage natural regeneration. That is the point that
13 is being made here, that we would carry out harvest
14 operations and not - through the way we carry out
15 harvest operations - direct any efforts towards
16 encouraging natural regeneration, we would simply rely
17 on natural regeneration after harvest operations to
18 renew the forest.

19 Q. Well, I think my question was
20 probably a little more basic than that. Will you be
21 clearcutting or not?

22 A. Under alternative B?

23 Q. Yes.

24 A. Yes.

25 Q. Thank you.

1 A. And any other form of harvest that
2 applies to particular conditions.

3 MR. LINDGREN: This would be a convenient
4 spot for a break, Mr. Chairman.

5 THE CHAIRMAN: Very well. We will return
6 at a quarter to one.

7 MR. LINDGREN: Thank you.

8 THE CHAIRMAN: Thank you.

9 ---Luncheon recess taken at 12:00 p.m.

10 ---On resuming at 12:50 p.m.

11 THE CHAIRMAN: Thank you. Be seated,
12 please.

13 MR. LINDGREN: Mr. Bisschop, I am going
14 to go a little bit out of my order and go directly to
15 an issue that was discussed at some length last week,
16 and that was whether or not the amendment process in
17 term and condition 59 would allow for an extention of
18 this undertaking north of 50.

19 Now, Mr. Chairman, this matter was
20 discussed at the very outset of this hearing in Panel 1
21 and, as I understand the evidence of this panel and of
22 the Ministry, there was a suggestion that there is a
23 proposed exemption order being drafted by the Ministry,
24 the Ministry of Natural Resources, and that it would be
25 submitted at some time.

1 And I want to ask some questions of Mr.
2 Bisschop on that issue, and I would like to file an
3 exhibit that I think might focus some of the
4 questioning.

5 It is from the Environmental Assessment
6 Branch, it's the monthly status report dated November,
7 1989. It is an extract, it is not the full document.
8 (handled)

9 THE CHAIRMAN: Thank you. Exhibit 1004.

10 ---EXHIBIT NO. 1004: Extract from the monthly status
11 report dated November, 1989,
12 issued by the Environmental
 Assessment Branch.

13 MR. LINDGREN: Q. Now, Mr. Bisschop, can
14 I ask you to turn to the second page of this exhibit.
15 And about halfway down the column entitled:
16 Undertaking, we see something called: MNR Timber
17 Management North of CMU, and then we see that it is in
18 pre-submission consultation stage and has a file number
19 and a submission date attached -- an expected
20 submission date attached to that.

21 Now, Mr. Bisschop, given that we did
22 discuss this issue about a year and a half ago and at
23 that time it was suggested that the proposed exemption
24 order was being drafted by the Ministry of Natural
25 Resources, can you advise me if that exemption order

1 has been finalized to this point?

2 MR. BISSCHOP: A. No, it has not.

3 Q. When do you expect it to be
4 finalized?

5 A. To the best of my knowledge we have
6 not even addressed the subject of that exemption order
7 since the discussion arose a year and a half ago. I
8 haven't been involved in it and I don't believe we have
9 done anything further on it and I don't know exactly
10 what our schedule would be for dealing with it.

11 Q. That is the exemption order. Can you
12 advise me if the Ministry has prepared or is preparing
13 a separate environmental assessment for timber
14 management north of 50?

15 A. No, we are not.

16 Q. Is the Ministry intending to produce
17 such an environmental assessment?

18 A. No, we are not. We looked at the
19 question of activities north of Crown management units
20 about two, two and a half years ago. The reference on
21 this form, to the best of my knowledge, is a
22 preliminary draft, if you will, that we spoke to the
23 Environmental Assessment Branch about, I believe it is
24 roughly two years ago, and nothing further, as far as
25 I'm aware, has occurred on that since that date.

1 Q. Now, are you indicating that there is
2 a preliminary draft of an EA on that subject -- or on
3 that undertaking?

4 A. We had produced some paper that we
5 discussed only with the Environmental Assessment Branch
6 as far as my recollection.

7 Q. Will you undertake to produce a copy
8 of that to me?

9 MR. FREIDIN: Sorry, what was it you
10 wanted produced?

11 MR. LINDGREN: The draft EA that has been
12 prepared in relation to timber management north of
13 CMUs.

14 MR. FREIDIN: Mr. Chairman, I don't see
15 that that is relevant. We talked about this back in
16 Panel -- I don't know whether it was 1 or 2.

17 I should also indicate, and this is only
18 my recollection, that there was a misnomer in part of
19 the evidence. There is some misnomer I think in
20 relation to that particular draft or contemplated
21 exemption in that it is not intended to exempt timber
22 management, it was to exempt other activities which
23 aren't timber management.

24 I think there is some evidence that there
25 were small operations ongoing in an area, and that

1 was -- if this was going to be ongoing that was for
2 which the exemption was being sought. There was some
3 misleading connotation to the assignment of the words
4 exemption for timber management north of a certain area
5 and that wording was wording which had been ascribed to
6 this document, perhaps not even by the Ministry of
7 Natural Resources, but perhaps by the Ministry of the
8 Environment.

9 So, in my submission, that is the
10 evidence and we dealt with it extensively, and I would
11 submit that it would not be of assistance to look at a
12 draft initial exemption order which hasn't been dealt
13 with in the last year and a half.

14 MR. LINDGREN: I understood Mr. Bisschop
15 to indicate that in addition to the exemption order
16 there was in fact a draft EA, and I would submit --

17 MR. FREIDIN: No, no, he did not.

18 MR. LINDGREN: Okay, I've misunderstood
19 the evidence then.

20 MR. BISSCHOP: I guess I used the words
21 preliminary draft. We had had discussions with the
22 Environmental Assessment Branch about some small scale
23 harvest activities north of the area of the Crown
24 management units that we were concerned did not have
25 any environmental assessment coverage and we initiated

1 the idea of an exemption order to cover those
2 activities, and they are primary proposals that we
3 received from native communities to harvest small areas
4 of wood for their own needs.

5 We simply initiated some discussions with
6 the Environmental Assessment Branch that included the
7 production of some written material that they in turn
8 seemed to have assigned a name to and a file to, but we
9 had not yet ever gotten to the point of actually
10 producing an exemption order that we wished to file
11 with them.

12 MR. LINDGREN: Q. And I think I asked
13 you earlier when you expected to be in that position?

14 MR. BISSCHOP: A. And I'm simply not
15 aware of our schedule on that.

16 Q. Given that the Ministry is proposing
17 to prepare and submit an exemption request in respect
18 of harvesting operations north of 50, why would term
19 and condition 59(iv) be necessary? What is the
20 relationship between that and the exemption order?

21 A. The exemption order would deal with
22 small scale harvest activities. The idea behind term
23 and condition 59 was if the activities north of the
24 line were more than small scale harvest activities; in
25 other words, they were timber management not just

1 harvest, we would want to have a different kind of
2 environmental assessment coverage than the exemption
3 order that's contemplated.

4 And the idea behind exemption order -- I
5 mean, term and condition 59, was that the kind of
6 environmental assessment coverage we would seek would
7 be exactly that which is outlined through the Class EA,
8 but we would address those activities as timber
9 management activities and apply the Class EA provisions
10 to those activities.

11 Q. And that is in the absence of
12 adducing any evidence on the environmental impacts of
13 doing that north of 50?

14 A. That's correct. And that was the
15 subject of the discussions that we had with the Board
16 last week.

17 Q. Thank you. Dr. Euler, can I ask you
18 to turn to page 31 of the witness statement.

19 MR. FREIDIN: What page?

20 MR. LINDGREN: Page 31.

21 Q. We are looking at the results under
22 alternative B and in the second bullet paragraph there
23 is an indication that one result would be:

24 "Highly variable stands and species
25 composition."

1 And, Dr. Euler, from a habitat
2 perspective, would these stands be better for wildlife
3 than the more uniform stands that we discussed earlier
4 this morning; namely, the stands that would result from
5 timber management?

6 DR. EULER: A. Well, I wouldn't like to
7 make a categorical statement saying they would be
8 better or worse. I just don't -- I would like not to
9 make a categorical statement about whether they would
10 be better or worse. I think in some cases they would
11 be better, in some cases they wouldn't be, but it is
12 really hard to say definitively that they would be all
13 better or all worse.

14 Q. In terms of habitat diversity and in
15 terms of maintaining species populations, Dr. Euler,
16 what are the actual differences between this
17 alternative and the preferred alternative of timber
18 management?

19 A. The main difference is, is the
20 planning that you do in the preferred alternative,
21 because under the preferred alternative you can have
22 anything you want in terms of stands of trees, like you
23 can keep old growth forest, for example, in large
24 stands, if that's part of your objective; where, under
25 alternative B, you lose some of your ability to plan

1 because you are only doing a few of the activities that
2 you would do under timber management.

3 Q. I wasn't asking for the difference in
4 planning, I was asking for the difference in the
5 resulting habitat and the resulting species population;
6 that was the question.

7 A. Okay. And how can I be helpful?

8 Q. Well, the question again was: In
9 terms of maintaining or providing habitat diversity and
10 in terms of maintaining species populations, what are
11 the actual differences between the preferred
12 alternative and this alternative?

13 A. Yes. Well, the difference is you can
14 have what you want, where you want it, when you want it
15 under timber management because you have all these
16 options; where, under B, you get some of which you
17 want, some of the time, some of where you want it.
18 See, it's a matter of degree, as I understand it.

19 Q. And the third bullet on the second
20 paragraph there is a statement that the:

21 "Individual stands ill to moderately well
22 defined, i.e. limited stand integrity."

23 I think we discussed this briefly this
24 morning. Is that more beneficial from the wildlife
25 perspective?

1 A. Probably as a generalization most of
2 the time, yes.

3 Q. And, Mr. Bisschop, moving to the
4 second bulleted paragraph there, the indication that:

5 "A sharply increasing trend to hardwood
6 and mixed stands where softwood stands
7 now exist."

17 8 Would you agree with me, Mr. Bisschop,
9 that this would only be a short-term result and in the
10 long term we would see a return to the succession
11 forest?

12 MR. BISSCHOP: A. I think I would like
13 Mr. Armson to deal with that.

14 Q. Very well.

15 MR. ARMSON: A. That statement reflects
16 our knowledge and experience, to a lesser degree the
17 documentation, but the fact is that if the assumption
18 that there will be a reduction in the amount of
19 softwood under this particular option, this is B, then
20 it means that there will be what in fact we often refer
21 to as a highgrading, it will be a removal of the larger
22 conifer species, the larger spruce for example in mixed
23 woods.

24 There will also be, as a result of the
25 harvesting - and I would reflect Dr. Euler's

1 statement - the harvesting will take place without any
2 particular effort of regeneration and, therefore,
3 whether or not softwood stands, as distinct from mixed
4 wood stands, are regenerated again to softwood is more
5 problematic, there will be in fact more of a mixed
6 species within those stands, so that you will lose the
7 amount of softwood over time as you continually extract
8 the softwood and make no specific or conscious efforts
9 to bring them back.

10 Q. My question was essentially the time
11 frame you are speaking of. Is that a short-term effect
12 or a long-term effect?

13 A. Well, it begins in the short term and
14 goes on. Obviously, over the first initial years those
15 stands will be affected and then increasingly over
16 time, yes, the larger areas will be affected.

17 So the trend is hardwood and the mixed
18 wood stands will be in fact short or long term. The
19 effects would be much more impact -- have a greater
20 impact in the longer run.

21 Q. But through disturbance, we wouldn't
22 see a return of the conifer crop ever through natural
23 disturbance such as wildfire?

24 A. Well, I am not going to say never,
25 but I am saying that the amount -- there will be a

1 trend to an increasing amount of hardwood and mixed
2 wood stands. There will be some softwood stands of
3 course. I think in my direct examination I said the
4 lowland black spruce stands, by their very nature, will
5 tend to retain very much a strong black spruce
6 component, but not on the mixed wood sites.

7 Q. Just one final question on this
8 point. And I would like to direct your attention to
9 the final bullet paragraph on page 31. There is a
10 suggestion there that there is sufficient old forest to
11 last 50 years to meet industrial demand, but in the
12 next sentence it goes on to indicate before the 50-year
13 period was reached there would be reduction in softwood
14 levels.

15 Now, given that conifer is presently the
16 preferred species by industry, what is the meaning of
17 that sentence? It seems to me it is a little
18 contradictory.

19 A. Well, there is a national forest out
20 there. The first sentence referring to the sufficient
21 volume of old forest, that's the forest that already
22 exists, for the most part created by natural causes,
23 In fact, almost exclusively.

24 However, you will note that in the second
25 sentence it says yield regulation by using the MAD.

1 The calculation takes into account the entire growing
2 stock, it isn't based on just that which is overmature
3 or the oldest, so that as you increasingly develop over
4 the first 50 years, younger ageclasses which are
5 predominantly more to hardwoods, mixed woods, then that
6 will have an impact on the calculated availability of
7 softwood.

8 That's what that second sentence is
9 saying, it links to the previous one and it also links
10 to the statement in the third bullet about -- or the
11 second bullet about the hardwood and mixed wood stand
12 trends.

13 Q. Thank you. Mr. Bisschop, can I ask
14 you to turn to page 32 and there is a second paragraph
15 which states:

16 "No ability would exist..." under
17 alternative B, "...to influence or determine wood
18 quality because of absence of
19 regeneration treatments and maintenance
20 activities."

21 Can you please advise me how wood quality
22 can be influenced by the preferred alternative?

23 MR. BISSCHOP: A. In the sense that
24 through man's efforts at renewal we - and other
25 witnesses have spoken to this - we direct our efforts

1 towards renewal, for example, of superior quality
2 growing stock, that will have an influence on wood
3 quality.

4 The maintenance activities that we carry
5 out to assist in producing better quality material -
6 and I am thinking here, for example, in the Great
7 Lakes/St. Lawrence Forest of the maintenance activities
8 we carry out to favour the better trees in a stand -
9 will influence wood quality. The point is that by not
10 carrying out those activities under alternative B we
11 have to rely entirely on nature to produce whatever
12 quality of wood products nature can produce.

13 Q. You just indicated that some of your
14 activities will in fact increase wood quality. Has the
15 Ministry conducted any scientific studies in the area
16 of the undertaking to substantiate that claim?

17 A. I'm not aware. Perhaps Mr. Armson
18 could deal with that.

19 MR. ARMSON: A. Yes, there is an ongoing
20 program within the Ministry.

21 And maybe I might preface this, Mr.
22 Chairman, by saying there are two ways in which you can
23 improve quality. You can improve the quality of the
24 existing stands by removing those individuals of lower
25 quality so that you upgrade a stand as it existed in

1 nature. Now, that is in terms of the physical
2 attributes, very branchy trees and so on.

3 MR. FREIDIN: Mr. Chairman, I think we
4 should refer back to the evidence of Mr. Hynard and
5 others in Panel 12 where there was evidence perhaps
6 not -- well, from Ms. Krishka and Mr. Hynard regarding
7 work that had been done regarding the effects of
8 tending.

9 You will recall Mr. Hynard's biscuits, he
10 brought the pieces of wood here, we have xeroxed copies
11 of that. Whether or not those are all studies in the
12 evidence of Ms. Krishka about the effects of tending
13 and, in the circumstance, if that falls within the
14 category of studies, in Mr. Lindgren's terminology,
15 then there is evidence in relation to the subject
16 matter that Mr. Lindgren has spoken of which, of
17 course, we rely upon.

18 MR. LINDGREN: I thank Mr. Freidin for
19 that reminder. I would, however, respectfully remind
20 him that that properly could have been raised during
21 his re-examination.

22 One final --

23 THE CHAIRMAN: Well, just hold on a
24 second, Mr. Lindgren. I think it is fair for counsel
25 to bring it up at the time you are asking the question

1 so that we can determine whether or not we are going to
2 sit here and listen to answers which have been
3 previously given or previously dealt with.

4 MR. LINDGREN: That is not my intention,
5 Mr. Chairman.

6 Q. I do have one further question on
7 this point and I don't think it has been answered in
8 any panel; and, that is, has the Ministry conducted any
9 studies to determine whether the next conifer crop will
10 have the same quality fibers as the initial or original
11 crop? I guess that question is directed to you, Mr.
12 Armson.

13 MR. ARMSON: A. There is a certain
14 amount of prematurity in it in that the second crop,
15 the selection hasn't been moved through to what we will
16 call the mature stage. So there are examples and some
17 considerable examples of a second generation which
18 exhibits, in terms of form -- the external form,
19 superiority over just a wild population, if you will.

20 Q. Are you aware that there are in fact
21 some concerns in some quarters about the quality of the
22 fiber that will be produced on the plantations in that
23 it will not in fact be equivalent to what was ever
24 originally there?

25 A. I'm not aware of any scientific

1 studies that refer to the fiber itself, there are
2 concerns about the nature of the wood for certain sawn
3 materials particularly. The nature of the fiber, I'm
4 not aware of any studies.

5 Q. Okay, thank you. I would like to
6 turn now to the effects of the alternatives on the
7 various environments, and I will begin by looking at
8 the effects on the natural environment.

9 Now, the discussion of the alternatives
10 on the natural environment appears to discuss some of
11 the obvious effects, in our view, but they seem to omit
12 others. So, for example, Mr. Bisschop, for each of the
13 alternatives, can you point me to any portion of the
14 witness statement that identifies and compares the
15 effects or the range of potential effects on
16 micro-climate or regional climate?

17 MR. BISSCHOP: A. I'm not sure I am the
18 right person to be asking these questions. I wasn't
19 part of the analysis of the alternatives. I'm not sure
20 exactly who to direct you to on that, perhaps Mr.
21 Armson again.

22 Q. Well, perhaps. Mr. Armson's evidence
23 was limited to soil and site productivity. I don't see
24 a discussion of potential climatic changes at the micro
25 or macro level; is that correct, Mr. Armson?

1 MR. ARMSON: A. No. At the micro
2 level -- and I think earlier today when Mrs. Koven
3 asked me the question about micro-climate, the
4 difference between this alternative and management
5 would be a micro thing and I don't think there is in
6 the aggregate any way you could categorize one as being
7 different from the other. At the macro level
8 climatically, I think it is not an issue here.

9 Q. My question is simply this: For each
10 of the alternatives that kind of a discussion does not
11 occur?

12 A. No, in each of the alternatives there
13 is a forested land base and to the degree that if you
14 have -- the undertaking area covered by forest of one
15 kind or another, which is what these alternatives all
16 consist of, the effect at the macro-climatic level is
17 highly questionable and it didn't enter into the
18 analysis.

19 Q. Is that an explanation why we don't
20 see a discussion of the range of micro-climate effects
21 among the alternatives?

22 A. As I explained, yes, that is
23 essentially the reason.

24 Q. What about other potential
25 environmental effects such as air quality impacts?

1 Where do we see a discussion of that in this witness
2 statement?

3 A. As I said, if the area of the
4 undertaking is forested, then air quality in terms of
5 the effect of contaminants coming in would apply across
6 the board, if this is what you are referring to.

7 Q. Well, I am referring to -- well, what
8 I have in mind is the potential for various types of
9 smoke, in particular emission to result from the
10 activity of prescribed burning under the preferred
11 timber management.

12 I wonder where we see a discussion of the
13 impact of that vis-a-vis the other alternatives.

14 MS. BLASTORAH: Mr. Chairman, again I
15 rise to refer to earlier evidence. I am not exactly
16 sure of the import of the question, but you will recall
17 that in Panel 12 we had evidence from Mr. Elliott with
18 regard to smoke from prescribed burns and smoke from
19 wildfires, and you may recall that he had an overhead
20 of a pie chart indicating circles which represent the
21 overall amount of smoke emission from forest fires in
22 the province and a very small sliver of that
23 represented the amount of smoke from prescribed burns.

24 So we have had some relative comparisons
25 in that panel with regard to smoke emission and air

1 quality effects, in that sense, during Panel 12, and I
2 just recall that for the Board.

3 MR. LINDGREN: I recall that testimony as
4 well, Mr. Chairman.

5 Q. The question was: Where do we see
6 that discussion; i.e., the potential air quality
7 effects for each of the alternatives in this panel.

8 MR. ARMSON: A. It isn't there.

9 Q. Thank you. Mr. Clark, perhaps this
10 question will go to you. Where do we see a discussion
11 for each of the alternatives, where do we see a
12 discussion of the impacts on visual quality or view
13 sheds for each of the alternatives?

14 MR. CLARK: A. There isn't a specific
15 evaluation for the effects of the alternatives on the
16 visual view shed. There is an implication in our
17 discussion of the impact of alternatives on various
18 stakeholders inasmuch as we have indicated that remote
19 tourism, for example, would benefit to some extent
20 under the null hypothesis.

21 One of the assumptions we made in that
22 context was the issues, to some extent, relating to
23 forest aesthetics would be a consideration there.

24 Beyond that we didn't, I think primarily
25 because we were dealing at our analysis at the area --

1 at the provincial or subprovincial level, or at the
2 area of the level of the undertaking and it was very
3 hard to generalize on that basis, and I think in fact
4 many of the concerns that relate to forest aesthetics
5 are fairly site-specific.

6 Q. Mr. Bisschop, perhaps I can return to
7 you for this question. For each of the alternatives,
8 where do we see an identification and comparison of
9 potential human health effects and safety effects?

10 MR. BISSCHOP: A. Again, you don't see
11 that because it's not considered to be a criterion, I
12 guess, that we address at this provincial/
13 subprovincial level of analysis.

14 Q. And why is that? Humans are part of
15 the natural environment; are they not?

16 A. Yes. Again, it becomes a question of
17 whether or not that factor in and of itself is one for
18 which there are different consequences of the
19 alternatives that are of enough significance to become
20 a factor in the analysis of another choice of a
21 preferred alternative, I guess.

22 Q. Isn't that what we are here to
23 decide?

24 A. Yes, but I think it's a matter of the
25 extent to which an environmental analysis of the

1 subject of 'alternatives to' is done. To what degree
2 of detail and what kinds of considerations are taken
3 into account at that level of analysis, I can only say
4 that we have made the decisions to undertake that
5 analysis to the level of detail that we have for the
6 factors that we have and made a decision on the basis
7 of that analysis.

8 Q. Let me just refer you then to one
9 final environmental parameter, if you will, that does
10 not appear to be discussed in any of the alternatives;
11 and, that is, the potential impact of the alternatives
12 on the energy resources of the province.

13 Each of the alternatives, it would
14 appear, appears to have different impacts in terms of
15 fuelwood, in terms of energy consumption related to
16 each of the alternatives. Where do we see a discussion
17 of potential energy resource impacts?

18 A. Again, it's not here.

19 Q. And is there a reason for that?

20 A. I would simply repeat the same
21 reasoning, I guess, that it wasn't felt to be a factor
22 that is of enough consequence for the analysis that we
23 carried out to come to a conclusion on what's a
24 preferred alternative to meet the purpose.

25 Q. Now, in the discussion of the

1 environmental impacts there does appear to be an
2 examination of some potential direct and indirect
3 effects, but I am wondering, where do we see an
4 analysis and discussion of the cumulative or
5 synergistic impacts of each alternative?

6 A. I don't think that we specifically
7 addressed it in terms of specifically speaking to the
8 subject of cumulative. Perhaps it is inherent in some
9 of the conclusions that people have come to. Perhaps,
10 for example, Mr. Allin, could speak to how he looked at
11 that inherently in the way he approached the analysis
12 for the aquatic environment and the conclusions he
13 reached, but it's -- I am not aware that it's
14 specifically addressed through a statement that deals
15 with the cumulative effects.

16 Q. Okay, thank you.

17 Mr. Armson, could I ask you to turn to
18 page 34 of the witness statement. And, Dr. Allin, I
19 will return to you to perhaps pick up on the point made
20 by Mr. Bisschop.

21 MR. ARMSON: A. Yes, I have that.

22 MR. FREIDIN: What was the page?

23 MR. LINDGREN: Q. Page 34, the first
24 paragraph, there is an indication that:

25 "yield regulation and timber management

1 practices can be determined and planned
2 to take advantage of existing soil and
3 site conditions."

4 The paragraph goes on to read:

5 "This is done by locating the regenerated
6 forest growing stock by age-class on the
7 most appropriate soils for both
8 maximizing timber productivity and for
9 maintaining and in some cases enhancing
10 non-timber values and objectives."

11 First of all, Mr. Armson, what is meant
12 by locating regenerated forest growing stock by
13 age-class?

14 MR. ARMSON: A. That is the decision in
15 the process of "the planning of the activities", both
16 the planning of the activities, more particularly the
17 silvicultural activities and, in particular, the
18 silvicultural prescriptions which are an integral part
19 of timber management, means that the decision as to
20 where to carry out a harvesting activity, where to
21 regenerate to a particular species by either the use of
22 the activity or by other treatments such as site
23 preparation, regeneration, all of which have been gone
24 into in previous panels.

25 It means that, in Dr. Euler's words,

1 there is a very conscious decision process going on in
2 where those activities take place in terms of the kind
3 of species and, therefore, at what time and that brings
4 in the age-class in relation to the production and, as
5 Dr. Euler has indicated, other values particularly
6 wildlife. That is what that means.

7 Q. Okay, thank you. That was not clear
8 to us anyways, but I would like to pick up on the
9 remainder of that sentence which indicates that:

10 "That growing stock is put on the most
11 appropriate soils."

12 Now, is that a reference to prime site
13 management, Mr. Armson?

14 A. That includes that. It refers
15 specifically to the fact that in the natural forest the
16 species that may be harvested may be growing on a
17 particular situation or soil which is not in fact the
18 most appropriate one in terms of that species to
19 maintain the highest growth and, therefore, that
20 species may be replaced by another more appropriate
21 species. There are a number of examples of this, if I
22 may.

23 Q. Is it the Ministry's position then,
24 given that it is trying to put this growing stock in
25 the most appropriate soils, is it the Ministry's

1 position that it is not managing the low productivity
2 sites?

3 A. No, not at all. In fact, in terms of
4 the process of decision-making to reach objectives
5 there may well be intermediate soils or site
6 productivity classes, but because of their location,
7 because of their extent, and because of the ease with
8 which they may be managed, ease of management, they may
9 be preferable to much more productive soils which may
10 be in limited areas, relatively inaccessible and, in
11 fact, may be carried out and I suppose that could
12 create greater problems in terms of management. So
13 those are professional decisions made in relation to
14 specific objectives.

15 MS. BLASTORAH: Mr. Chairman, again, I
16 would indicate that we have this heard in Panel 11.
17 Mr. Lindgren has referred to prime site management and
18 we heard evidence in Panel 11 about what is the prime
19 site not just the soil productivity, I just recall.

20 MR. LINDGREN: Q. Mr. Armson, with
21 respect to the comment that non-timber values are
22 maintained or enhanced under timber management, would
23 you agree with me that there are some significant
24 non-timber values that will not be maintained or
25 enhanced under timber management?

1 A. If the non-timber values are
2 identified and in fact form a part of -- I know within
3 the planning process they are considered to be worth
4 either maintaining or enhancing, yes, they have a
5 value; and, therefore, there will be some measure in
6 the prescription dealing with it.

7 If normal practices -- the values are
8 such that normal practices will do this, then I see no
9 problem. I think this has already been dealt with.

10 Q. Well, let me give you an example
11 then, Mr. Armson. Isn't it true, for example, that as
12 an old growth forest, say a 200-year-old white pine
13 ecosystem, as that forest is harvested surely the
14 aesthetics and biological diversity of the area will
15 not be maintained or enhanced?

16 A. Maybe not of that specific area, but
17 I would suggest that there is 180-year-old white pine
18 stands somewhere that, over the next 20 years,
19 assuming those problems are felt, the value of
20 200-year-old white pine stands are considered
21 appropriate.

22 Q. If the Ministry's approach is to take
23 the oldest trees first, and I think that has been the
24 evidence to this point, and if the Ministry --

25 MR. FREIDIN: No, not as a categorical

1 statement that that is the rule everywhere all the
2 time. That is certainly not the evidence.

3 Q. Given that the oldest first approach
4 may be used and given that once the oldest trees are
5 taken and replaced with the new plantations, those new
6 trees will be taken presumably at rotation age,
7 certainly it's true that there will be a net reduction
8 in old growth forest and, as a result, a net reduction
9 in non-timber values such as aesthetics and biological
10 diversity associated with those older or old growth
11 forests?

12 MR. ARMSON: A. Well, first of all, I
13 would point out that not all oldest growth forests are
14 removed; secondly, they are not always replaced by
15 plantations; and, thirdly, if in fact, areas of old
16 growth forest which are identified as having sufficient
17 values, the point you have been making is they don't
18 remaind 200-year-old stands forever, and the principle
19 of succession, which is a biological fact, is that if
20 you want to maintain a certain kind of entity,
21 biological entity in a given area, given our
22 conditions, one has to recognize that over the long
23 haul those stands will change and be replaced and,
24 therefore, you need a succession of those.

25 And that is the very principle in terms

1 of regulation of the forest for both timber and other
2 values.

3 Q. Dr. Euler, perhaps I can turn to you
4 on this point then, and perhaps I will ask the very
5 same question.

6 As the old growth forest is harvested and
7 replaced with plantations, is it fair to say that old
8 growth habitat and native species that relied on that
9 habitat will be reduced by that timber management
10 activity?

11 DR. EULER: A. Well, it doesn't have to
12 be. If you plan carefully you can always keep a
13 certain percentage of old growth habitat in the area
14 that you are concerned with. It isn't essential that
15 it be reduced; sometimes it happens perhaps, but it
16 doesn't have to.

17 THE CHAIRMAN: Well, Mr. Lindgren, isn't
18 the point - and a lot of the evidence we have heard -
19 that even if you don't do anything, you don't practice
20 any kind of timber management, whatever is out there
21 could be reduced by natural forces; you could have,
22 through the luck of the draw, all of the old growth
23 destroyed by fire, natural wild fire. It's just the
24 luck of the draw, instead of picking younger stands
25 nature, for whatever reason, picked the oldest stands,

1 they are gone, man didn't do anything.

2 MR. LINDGREN: That's right. They are
3 speaking strictly of natural depletion here, I am
4 speaking of depletion by man. And in those situations,
5 where an area for example has been extensively
6 clearcut, I think it's the Ministry's evidence that
7 they will attempt to artificially regenerate that or at
8 least try to get some sort of regeneration.

9 THE CHAIRMAN: But I think there is
10 evidence as well that they won't necessarily in terms
11 of planning the clearcut, plan all of one particular
12 age-class because, in terms of planning, the objective
13 is to have a forest of variations of age-classes--

14 MR. LINDGREN: That's right.

15 THE CHAIRMAN: --as part of the planning
16 side of it.

17 MR. LINDGREN: Up and including
18 age-classes at their rotation age. I don't see under
19 this approach any possibility of extensive old growth
20 surviving beyond that. I see, Mr. Chairman --

21 THE CHAIRMAN: But hold on. Why can't
22 old growth beyond rotation age be preserved, if in the
23 tradeoff as to what you cut it's determined that the
24 value of having old growth, and if there is a limited
25 amount of it around, remain.

1 MR. LINDGREN: I think that is the big
2 'if', Mr. Chairman.

3 THE CHAIRMAN: Well, isn't that what the
4 planning process is all about, to identify through area
5 of concern planning, if necessary, special values?
6 Isn't that what the ANSI program is all about? Isn't
7 that what we are trying to identify--

8 MR. LINDGREN: If it's carried out.

9 THE CHAIRMAN: --any particular attribute
10 out there that you may want to preserve and treat
11 differently from the way you might treat it through
12 normal operations.

13 I guess what I am trying to put forward
14 to you, Mr. Lindgren, is: Through planning you can do
15 those kinds of things. Your argument is: You could,
16 but will you. And I am also suggesting that nature
17 sort of selectively can take away the same values with
18 man doing nothing.

19 MR. LINDGREN: I don't disagree.

20 Q. Dr. Euler, perhaps this might bring
21 the concern into focus. Would you agree with me that
22 current timber management practices, per say - I am
23 talking about the four activities - will current timber
24 management activities maintain or enhance the 30 per
25 cent of species that do not benefit from the

1 application of the moose or deer guidelines?

2 DR. EULER: A. Well, that is where I
3 have a lot of concern, and I am uncertain whether they
4 will under our current structure. I don't -- I can't
5 say to you, no, it wouldn't. I just feel very
6 concerned about that because I can't -- I am concerned
7 because I can't assure you that current timber
8 management will take care of those things.

9 Q. Will take care of the 30 per cent?

10 A. Yes. I can't assure you that it will
11 because I am very uncertain. We just don't have the
12 evidence. That is one of the things I said to the
13 Board, that I come here with a very strong personal
14 concern about, and that is what we are moving to do,
15 some monitoring and some work on those things.

16 Q. While we are on this point, then
17 perhaps, Dr. Euler, let's move to page 42 of the
18 witness statement.

19 Under the first bullet under the heading
20 Timber Management there is a statement that:

21 "Viable populations of all native
22 wildlife species would be maintained."

23 You just indicated to me that there is
24 some uncertainty as to whether or not 30 per cent of
25 those species will be enhanced or maintained. How

1 could you make a categorical statement like that?

2 A. Well, I am looking to the future.
3 See, it's a question of assuring you whether the
4 current timber management activities adequately provide
5 habitat for that 30 per cent, you see, and I have to
6 say I am uncertain about that, but I am confident in
7 the future, as we develop our monitoring programs, our
8 research programs and so on, that we will maintain
9 viable populations of all native wildlife species.

10 It's looking to the future as opposed to
11 the question you asked me which is right now. And what
12 I have tried to indicate to the Board and in all of my
13 testimony is, I have some concerns right now. I am a
14 little more optimistic about the future because of some
15 of the steps that are being taken.

16 THE CHAIRMAN: Is not the evidence, Dr.
17 Euler, that from what you know now, from your knowledge
18 base now, you know a specie is not being maintained,
19 although you can't guarantee that every specie is being
20 maintained because you just can't tell?

21 DR. EULER: That's right. Just because
22 you say we have no evidence that something is in
23 trouble doesn't mean it isn't into trouble. And so
24 that is why I have been trying to express my concern,
25 and that's why we are trying to put a fair bit of money

1 and effort into dealing with that problem.

2 In my view it's one of our problems,
3 wildlife management, it's a very serious one.

4 MR. LINDGREN: Q. Well, I am coming at
5 the same question from a different perspective. Unless
6 and until those effects and effectiveness monitoring
7 studies are complete, how can you assure us that these
8 species will be maintained?

9 DR. EULER: A. Well, I think that is a
10 very good point and I think the Ministry, if it can be
11 criticized for anything, perhaps is for not having done
12 more in the past, but I don't know how to go back and
13 do more in the past. I mean, that is my problem, and
14 all we can do now is go forward and give our best
15 assurance.

16 I think the Ministry has committed a lot
17 of money to this program and I think that that is a key
18 to the concern. I mean, normally the Ministry puts
19 money into areas where concerns are, and that is the
20 best I can say, is we have made some pretty solemn
21 promises to this Board and those promises, also in
22 addition of the force of law, and I am optimistic about
23 that.

24 Q. Well, how much of that funding
25 commitment has been directed towards the 30 per cent?

1 A. At full maturity that is going to be
2 in the range of over a million dollars a year.

3 Q. And this is out of a total budget of
4 how much?

5 THE CHAIRMAN: Well, Mr. Lindgren, I
6 think a lot of this was covered in a previous panel and
7 we went through the exhibit that you put forward on
8 those questions. I don't think it's productive to
9 repeat it here.

10 MR. LINDGREN: Well, there is a direct
11 relationship between their ability to say timber
12 management results in the best of all worlds because
13 all population species or species in this province will
14 be maintained.

15 I am suggesting that you can't say that
16 unless and until the effects and effectiveness
17 monitoring studies are completed. I think Dr. Euler
18 just agreed with that, and he further agreed that there
19 is some uncertainty as to whether or not the 30 per
20 cent will in fact be maintained and enhanced. I am
21 wondering --

22 THE CHAIRMAN: What is the alternative?
23 What I am saying is: Suppose you don't conduct timber
24 management, what is going to happen to the 30 per cent
25 out there.

1 MR. LINDGREN: Q. Dr. Euler?

2 DR. EULER: A. Well, nature in her
3 wisdom would take her course and there would be ebbs
4 and flows, ups and downs, backs and forths, and
5 presumably they would continue to exist at some level.

6 See, the difference in timber management
7 is we have the ability to manipulate that forest and
8 ensure that the habitat is there in the places that
9 people feel it's important.

10 Q. Let me just follow up on that, Dr.
11 Euler. Which alternative will result in the most
12 benefit for the 30 per cent of the species that are not
13 currently benefitting from the application of the moose
14 and deer guidelines?

15 THE CHAIRMAN: It isn't that they are not
16 benefitting, isn't it that you don't know whether they
17 are benefitting?

18 DR. EULER: Yes, there is just this area
19 of uncertainty, yes, and that is what leads -- it's the
20 uncertainty that leads to the concern.

21 MR. LINDGREN: Q. Well, will the
22 \$1-million a year allocated to that aspect dissipate
23 that concern?

24 DR. EULER: A. Yes, I believe it will.
25 I believe it will.

1 Q. \$1-million is adequate, you don't
2 need further study of these species?

3 MS. BLASTORAH: Mr. Chairman, we had a
4 whole panel of evidence on that.

5 MR. LINDGREN: Q. Well, let me refer you
6 to that statement again that:

7 "Viable populations will be maintained."

8 Dr. Euler, are you satisfied that the
9 Ministry has merely committed itself to the maintenance
10 of viable populations and has not attempted to set
11 quantifiable population objectives?

12 DR. EULER: A. No, I am not satisfied
13 with that at all. We have got to get out there and get
14 some quantitative objectives, we have got to do a
15 better job now.

16 Q. For game and non-game species?

17 A. Oh, absolutely.

18 Q. Where is the priority?

19 A. Well, you mean my priority or...?

20 Q. Well, as to the Ministry's priority
21 and what would your personal priority be?

22 A. Well, I think we are doing a fine job
23 with game and we should get on those non-game things
24 right now. Game populations are doing very well in
25 this province, they are doing excellent. Now, the

1 other population we have this uncertainty about, that
2 is where we should go.

3 Q. Do you have any examples?

4 A. Moose are doing well, deer are
5 blossoming.

6 Q. No, I mean of the species that we
7 should be looking at?

8 A. Well, the uncertainty is what I have
9 examples of. We are not sure, for example, how timber
10 management affects great gray owls and hawk owls or
11 red-backed salamanders or bob lemmings, you see, and
12 that is the uncertainty that I am concerned about, and
13 that is where we have got to start working in that area
14 to reduce that uncertainty so that we can assure the
15 Board and the people of Ontario that, yes, the habitat
16 is being provided for all of the species.

17 Q. Are those the species that are the
18 subject of the proposed monitoring studies?

19 A. Yes, they will be among them
20 certainly.

21 Q. Each and every one of them?

22 A. Well, see, if I say -- it's really
23 hard for me to give you that kind of guarantee because
24 the way we are going to approach that is start with a
25 workshop session in which we bring in a number of

1 different experts in these areas and we say to
2 everybody at the workshop: Let's decide where to go,
3 which species to study next, what is most important.

4 Now, what I have done here is pick
5 species that I would think would come right to the top
6 of the list, right off the top of my head, but there is
7 some expert who may come along and say: Well, Dave,
8 sorry, here's the great gray owl papers and you just
9 didn't happen to know about them.

10 So I can't guarantee that they are going
11 to be there. I think they will be, but I want to have
12 the ability to say that is subject to a lot of
13 discussion by people with expertise in those areas.

14 Q. That is fair enough. The next bullet
15 on page 42 indicates that:

16 "Timber Management provides the
17 opportunity to create and maintain
18 vegetative diversity necessary to support
19 diverse and healthy wildlife
20 populations."

21 That is the manipulation of habitat that
22 I think you were speaking of last week?

23 A. Yes.

24 Q. What habitat manipulation has been
25 done for none-game species in this province?

1 A. Oh, very little. Very little
2 directly for non-game species. Now, we do have the
3 work with bald eagles, for example, and, as you know
4 from our evidence, there are side benefits to non-game
5 species of our work with game species.

6 But very little work has been done where
7 we sat down and said we are now going to go out and
8 manipulate habitat for a given number of non-game
9 species.

10 Q. Has the Ministry made a commitment to
11 do that?

12 MR. FREIDIN: Mr. Chairman, you know, we
13 dealt with this in Panel 16, but I was not here for all
14 of 16, but I was certainly here for Panel 10.

15 We dealt with harvest and we went through
16 all of this in Panel No. 10 and we talked about the
17 featured species approach and how it benefits some
18 wildlife and how it doesn't benefit others, and what
19 the Ministry is doing in relation to those 30 per cent,
20 whether they are area sensitive and all that sort of
21 thing.

22 It was examined in Panel 16 exactly what
23 is being done. I think we are covering old ground and
24 should move on.

25 THE CHAIRMAN: Where are you going with

1 this?

2 MR. LINDGREN: Well, hopefully not in
3 circles, Mr. Chairman. I have no intention of
4 revisiting the previous evidence, but I am trying to
5 build on it.

6 THE CHAIRMAN: But where are you going
7 with it?

8 MR. LINDGREN: That the bullets, the
9 environmental effects that are listed under timber
10 management are in fact open to question. I don't think
11 that necessarily the evidence has been led to support
12 some or all of those statements.

13 THE CHAIRMAN: But we have the Ministry's
14 case. If you don't believe that that is in fact the
15 case, call your own evidence.

16 MR. LINDGREN: That is what we are
17 intending to do, Mr. Chairman, but to use Mr. Freidin's
18 words from last week, we are laying the groundwork here
19 for that evidence.

20 MR. FREIDIN: But, as you must
21 appreciate, a lot of the evidence upon which the
22 statements in Panel 17 is based--

23 THE CHAIRMAN: Is already before the
24 Board.

25 MR. FREIDIN: --is already the evidence

1 which has been led.

2 MR. LINDGREN: That's right.

3 THE CHAIRMAN: Mr. Lindgren, as the Board
4 reads these statements, these statements in effect
5 summarize evidence that is already before the Board
6 particularly in terms of various panels that were
7 already put forward.

8 MR. LINDGREN: With respect, I would
9 disagree with that overgeneralization. I think that is
10 summarizing some things that have not been said, or
11 some things for which evidence has not been led.

12 THE CHAIRMAN: Well, the Ministry is
13 making the statements, they are relying on the evidence
14 that they have led, they are relying on these
15 statements, and I would suggest if you have views to
16 the contrary, then call your own evidence to show that
17 that is not the case.

18 MR. LINDGREN: Very well, Mr. Chairman.

19 THE CHAIRMAN: Rather than recovering
20 what has been here and trying to pick out an item that
21 you feel wasn't covered to the extent that perhaps one
22 of these overview statements indicates that it was.

23 I think that could be better addressed
24 and more expeditiously in your own case.

25 MR. LINDGREN: Very well, Mr. Chairman, I

1 will move on.

2 Q. One final question on page 42, Dr.
3 Euler. The third bullet indicates that:

4 "Timber Management provides the greatest
5 potential for providing habitat for
6 Desired wildlife species in certain
7 places at certain times."

8 In your opinion, is this potential being
9 realized to its fullest possible extent by the
10 Ministry?

11 DR. EULER: A. Right now.

12 Q. Right now?

13 A. Well, probably not to its fullest
14 potential, no.

15 Q. There is room for improvement?

16 A. There is room for improvement, yes,
17 there is.

18 Q. Can I ask you to turn to page 43.
19 There is a statement that:

20 "The application of the guidelines
21 require considerable skill and management
22 effort. "

23 And, again in your opinion, does --
24 presumably before a guideline can be applied one has to
25 be able to identify a wildlife value needing protection

1 or enhancement and, in your view and your experience,
2 Dr. Euler, does the Ministry have a sufficient number
3 of trained field staff to identify the habitat of some
4 of these species?

5 THE CHAIRMAN: Well, again, Mr. Lindgren,
6 I think we have had evidence on the training of
7 staffing and the whole business. You may not agree
8 that it's adequate, but bring that out in your own
9 case.

10 MS. BLASTORAH: And, Mr. Chairman, I
11 would just remind the Board that evidence has also been
12 given that we don't only rely on Ministry staff for
13 that contention, but the whole area of concern planning
14 process as well.

15 MR. LINDGREN: Q. Can I ask you to turn
16 to Appendix B, Dr. Euler, that is found at page 95 and
17 following.

18 DR. EULER: A. Yes.

19 Q. Actually it commences at page 92, but
20 I am interested in page 95 and following.

21 A. Yes.

22 Q. There is an indication at page 95
23 that:

24 "Alternative A will maintain viable
25 populations and, therefore, will meet

1 your wildlife objective."

2 Is that the case?

3 A. Yes, can assist us -- let's just say
4 it can assist in meeting the wildlife objective because
5 we do other things, remember, than above.

6 Q. And further down in the middle
7 paragraph on that page there is an indication that:

8 "This alternative would result in fewer
9 deer and moose."

10 Now, last week you indicated that
11 currently moose and deer populations are somewhat
12 higher than they would be naturally. So would a
13 reduction be necessarily a bad thing?

14 A. Oh, no, that's a value judgment and
15 people would have various views on that. It is not
16 necessarily bad. Some people would probably think it's
17 good, particularly some of the people who have had
18 accidents by hitting moose.

19 Q. Then on page 96 there is a discussion
20 of alternative B and, again, there is an indication
21 that healthy populations would be maintained?

22 A. Under B, yes.

23 Q. Under B. And just to finish off the
24 story on page 97, there is an indication that
25 alternative C probably would cause a decline in some

1 species. What species would those be?

2 A. Well, how about I just give you, say,
3 an example of one.

4 Q. That's fine.

5 A. Because otherwise it is an endless
6 problem. You see, let's say -- probably some of the
7 species that are obligatory to softwood, say, black
8 burning warbler because under that alternative there
9 would be this longer term reduction in the softwood
10 component.

11 Q. Then could I ask you to turn to the
12 discussion of the preferred alternative, timber
13 management, which is found at page 98, and in the last
14 two lines of those two paragraphs -- I will read the
15 first one:

16 "In summary, this alternative would be
17 the most beneficial to the people of
18 Ontario and would allow them the
19 opportunity to derive the maximum
20 benefits from the forest."

21 Then the final sentence of the next
22 paragraph reads:

23 "This alternative will produce the most
24 benefits for the people of Ontario from
25 the forests of Ontario."

1 What is the scientific basis for that
2 statement, Dr. Euler?

3 A. Well, if by scientific basis you mean
4 some study that shows quantitatively benefits and costs
5 and so on--

6 Q. That's exactly what I mean.

7 A. --I don't know of any. That's our
8 considered professional opinion.

9 Q. Dr. Euler, do you personally believe
10 that this preferred alternative will, in fact, provide
11 more benefits to people than alternative A, the null
12 alternative?

13 A. Oh, yes.

14 Q. Do you personally believe that the
15 preferred alternative will result in less harm to the
16 natural environment than alternative A?

17 A. Less harm to the natural environment?

18 Q. I will be turning to the ranking in a
19 moment, but it seems to me that in terms of impacts in
20 the natural environment timber management was ranked
21 No. 1 and the null alternative is ranked No. 3.

22 Mr. Edwards had problems with that, I
23 have problems with that, and perhaps you can explain
24 that to me?

25 A. Well. And, yes, we had problems with

1 it too. As we discussed it in the Ministry, what does
2 that mean, and the only way that I can deal with that
3 is because man is part of the natural environment,
4 okay, and it's because of benefits that people derive
5 that you rank it as better than the alternative A.

6 If somehow you could remove all people
7 from the area of the undertaking and no person ever
8 went in there again, then I think it's a little
9 different consideration, but that seems so impossible
10 and so unreal and so impractical that we didn't even
11 think of that as a possibility.

12 And under that peopleless area of the
13 undertaking, I suppose you would say: Well, that's
14 nature's way and, therefore, you are not putting any
15 value judgment on it, but because we are people and
16 because we are there and because we cut wood, we end up
17 inevitably putting value judgments on that forest and
18 the objectives are a reflection of our values.

19 Q. Is it the Ministry's position that
20 its objectives are somehow better than what nature
21 could produce on its own?

22 A. Well, that's --

23 THE CHAIRMAN: Well, how do you judge the
24 objectives, if it is not a person that makes the value
25 judgment as to what is better? Nature may make the

1 value as to what is better, but if there isn't a person
2 to receive and evaluate what nature does, how can you
3 do that?

4 I mean, isn't this the old argument
5 about: Do you hear the tree falling in the forest or
6 whatever that phrase is.

7 MR. LINDGREN: I think people hear that
8 quite a bit.

9 DR. EULER: If a tree falls in the forest
10 and no one is there, does it make a sound.

11 THE CHAIRMAN: That's right. Yes, sorry.

12 DR. EULER: That's all right.

13 MR. CASSIDY: Well, what was the answer
14 to that question?

15 DR. EULER: Well, of course.

16 THE CHAIRMAN: Wasn't that from that
17 paper: Do Trees Have Standing by a fellow by the name
18 of Stone? Is that not where all that comes from?

19 DR. EULER: I'm not sure, Mr. Chairman.
20 I heard it when I was a child in the nursery, but...

21 MS. BLASTORAH: What would their
22 objectives be.

23 DR. EULER: But I don't want to let
24 this -- Mr. Chairman, I don't want to see this point
25 treated trivially because it's a serious matter, it

1 really is, and I appreciate the concern of Mr. Lindgren
2 and his client on this and I feel very sensitive to
3 that.

4 And it was a struggle for me to deal with
5 it, I assure you, and how you come out of that is a
6 very, very difficult issue and we spent a lot of time
7 working on that.

7
8 And there is no universal answer, but
9 what you have to come down to is that as people in that
10 forest we have value judgments and we put value
11 judgments on that forest whether we like it or not, and
12 one species can go up and that may be detrimental to
13 another species. Well, how do you say that's good or
14 that's bad.

15 And so what we have done as people who
16 live here is put objectives on that forest, objectives
17 for moose, objectives for keeping healthy populations.
18 Well, in nature some of those populations would
19 probably go to extinction and we have in some sense at
20 least said we don't want that to happen. So it's very
21 difficult, and I just want to make sure that we don't
22 leave that in a trivial way or a facetious way.

23 MR. LINDGREN: Q. Well, I would like to
24 pick up on it a bit further then, Dr. Euler. Would you
25 agree with me that the only way to rank the

1 alternatives in a meaningful and objective manner is to
2 do three things: Get the baseline data; identify and
3 study to the extent that you can quantify the effects;
4 and then make your comparison without the intrusion of
5 biases or value judgments or whatever you want to call
6 it?

7 A. Well --

8 Q. Would you agree that's the way you
9 would scientifically rank alternatives?

10 A. Well, you see, first of all, get the
11 baseline data; yes, a big yes. If the Ministry can be
12 criticized for anything it is not having good baseline
13 data from the past; a big yes.

14 Quantify the effects, another big yes.
15 That's what we need to do and what we are trying to do,
16 but the problem is, as soon as you start beginning the
17 value judgment process it gets very murky and is it
18 better to have more red-shouldered hawks than Cooper's
19 hawks is a very value-laden decision, and I don't think
20 you can ever get away from those value-laden decisions.
21 I don't see how you can. As a person you just can't
22 leave them at home.

23 THE CHAIRMAN: How do you compare?
24 Suppose you have the quantitative numbers, how do you
25 compare the numbers if it is not a person that does the

1 comparing?

2 MR. LINDGREN: There will probably be
3 evidence on this -- further evidence on this, but I
4 would suspect what one does is you quantify the
5 effects, add them up and look at them.

6 THE CHAIRMAN: So what?

7 MR. LINDGREN: Rather than --

8 THE CHAIRMAN: So you get 1,500
9 red-shouldered hawks and 200 bald eagles and those are
10 the numbers that came from your baseline date, they are
11 quantified. Now, how do you say whether it is good or
12 bad? How do you say that the 1,500 is good --

13 MR. LINDGREN: You compare it to the
14 baseline data. You attempt to determine whether or not
15 the alternatives or the possible effects will result in
16 effects above and beyond the baseline data.

17 THE CHAIRMAN: Well, you may be able to
18 tell that something is going up or down, but how do you
19 know that that's good or bad?

20 MR. LINDGREN: I don't think that enters
21 into that part of the analysis. I think you just try
22 to determine whether it's going up or going down.

23 THE CHAIRMAN: So what?

24 MR. LINDGREN: And then you bring that
25 kind of data forward to this Board, the Board perhaps

1 might be able to make a --

2 THE CHAIRMAN: And we are not going to
3 make a value judgment?

4 MR. LINDGREN: No, you will have to make
5 a value judgment. I am concerned about the lack of
6 objective criteria that apparently -- I am concerned
7 about the lack of scientific rigor in the ranking of
8 these alternatives, I think that is the nutshell.

9 THE CHAIRMAN: All right. But, Mr.
10 Lindgren, I suggest to you it always comes down as the
11 very last stage, no matter what baseline data you have
12 and no matter what quantitative analysis you have,
13 somebody at the end of the day has to make the judgment
14 as to whether that data is good or bad.

15 MR. LINDGREN: I agree with that.

16 THE CHAIRMAN: Okay. So that there is a
17 value judgment that comes into it at the end of the day
18 and that value judgment, because it is made by human
19 beings, will, I would suggest, be the sum total of
20 their life experience no matter who does it.

21 I mean, you can't have people operate, I
22 would suggest, in the same context as a non-human
23 computer and expect a decision to come out that has no
24 value judgment whatsoever, and even if it is done by a
25 computer, bear in mind that it has been programmed by

1 somebody into which value judgments may have gone in
2 the first place.

3 It is a very -- you know, it is a
4 theoretical question. It would be terrific if everyone
5 could come to rational decisions without injecting any
6 values, biases, et cetera, but in the real world can
7 you do that?

8 MR. LINDGREN: That's right. I'm not
9 sure you can and that was Dr. Euler's answer.

10 MR. MARTEL: I think what is worrying me
11 is I heard you three or four times making reference to
12 the fact that: Well, we might in our case say don't do
13 anything. If you don't do anything here, you are going
14 to do it somewhere else to get the products we need as
15 a society.

16 It doesn't matter whether you get wood
17 from the forests of northern Ontario. I mean it is
18 like naming freedom fighters of one place is somebody
19 else's villian. Are we going to take no wood here and
20 get it from somewhere else to achieve the same end or
21 what?

22 MR. LINDGREN: Well, with respect, Mr.
23 Martel, I would refer you to our opening statement and
24 that opening statement was: We are not opposed to
25 forestry in this province.

1 MR. MARTEL: No, but I heard you say two
2 or three times today: It might be part of your case
3 that we accept the null, I think, alternative.

4 MR. LINDGREN: I don't think I --

5 MR. MARTEL: Several times I think I
6 heard you say that. And what worries me is, if you
7 come to that conclusion, you are going to get the goods
8 somewhere else; aren't you?

9 MR. LINDGREN: I'm not sure I expressly
10 said that and if I did, I didn't mean to.

11 MR. MARTEL: Well, you didn't say you
12 were going to, you said you might, I think.

13 MR. LINDGREN: I think there are elements
14 of a null alternative that might be advanced as part of
15 our case, but I wouldn't for a moment suggest: Stop
16 all forestry. That has never been a part of our case,
17 and I can assure the parties and the Board that is not
18 our case.

19 THE CHAIRMAN: Well, okay. While we are
20 on the subject, we have heard a lot of evidence about
21 the fact that even though the 30 per cent isn't covered
22 totally to the extent that the Ministry would like in
23 terms of being able to give assurance that those
24 species are adequately protected, I think it is a given
25 that no matter how much knowledge you get there will

1 still be a percentage, it might only be one per cent,
2 that is not covered.

3 To presume otherwise logically means that
4 we become all of a sudden omniscient, we know
5 everything. And so what do you do at some stage of the
6 game; do you say: Until you know a hundred per cent
7 that every single specie is going to be protected,
8 don't proceed; or do you proceed and try and gather as
9 much information as you can and try and lower the
10 percentage to the best you can. And I would suggest
11 that that's the only alternative practically speaking
12 that you could follow.

13 MR. LINDGREN: I think you are right, Mr.
14 Chairman, and I don't think I have to respond to it. I
15 agree with your comments entirely.

16 But the concern we have about this
17 ranking, if I could return to it, is that it seems to
18 be completely unscientific. There appears to be a
19 wide, almost incredible lack of baseline data.

20 Q. Was that in fact the case, Dr. Euler,
21 in terms of the terrestrial environment?

22 And perhaps I can ask you the same
23 question, Dr. Allin, in terms of the aquatic
24 environment. Does the Ministry have an acceptable
25 level of baseline data from which to proceed to make

1 these comparisons?

2 DR. EULER: A. Okay. We don't have as
3 much background baseline data as we should have as a
4 management agency; that much is true.

5 Now, in thinking about this, we thought
6 at one point about making a list of all the species in
7 the area of the undertaking and trying to make a
8 judgment about whether each species would be better
9 under alternative A, B, C or timber management and we
10 made some preliminary attempts to do this.

11 And it very soon just gets out of hand,
12 because you don't have the knowledge base it becomes so
13 complicated and so complex that we just didn't think it
14 would be helpful.

15 And so what we did is we reduced that
16 complexity to our best statement of our assumptions and
17 conclusions and put them here in the paper for people
18 to discuss. And we thought that was the most
19 responsible thing to do given the basic lack of data,
20 given the fact that things have happened in the past
21 and that that was the most responsible thing to do with
22 where we were at this point in time.

23 And I think we are going to improve, I
24 think the Ministry has made some serious commitments
25 and I am looking forward optimistically to what we are

1 going to do in the future knowing full well that you
2 and others can criticize us very legitimately for some
3 of the things we have not done in the past.

4 MR. LINDGREN: I think I will move on
5 from that point, Mr. Chairman, but on a related matter.

6 Q. Last week, Mr. Clark, you spoke of
7 some of the underlying objectives, the objectives that
8 underlie some of the rankings that were derived in your
9 analysis and so, for example, when you are speaking of
10 the social and economic effects you are speaking of
11 underlying objectives relating to lifestyle preferences
12 and so on. Where are those delineated with clarity in
13 your evidence?

14 MR. CLARK: A. Well, I think they are
15 not delineated -- I'm not sure what you mean by that
16 exactly. I think what we did was we made a number of
17 assumptions that are implicit in the work that we have
18 done and one of the assumptions we made is that people,
19 many people choose to live in the area of the
20 undertaking because they enjoy certain lifestyle
21 benefits; they like winter, they like to trap, they
22 like to hunt, they like to fish and we assumed -- when
23 we said lifestyle preferences we were assuming a
24 lifestyle that would permit them to do those kinds of
25 things, perhaps live in smaller communities, have

1 direct access to these kinds of opportunities. That
2 was an assumption that was implicit in our analysis.

3 So that when we looked at the
4 alternatives relative to the objectives of various
5 stakeholder groups, many of whom are resident in the
6 area of the undertaking, we simply said to ourselves:
7 Does this particular alternative provide us or provide
8 the stakeholder, provide us with an opportunity through
9 the management to assist in providing the range of
10 opportunities that would be deemed acceptable or
11 desirable for these different stakeholder groups,
12 whether they be cottagers, trapper, hunters and
13 fishermen, and particularly in the context of lifestyle
14 benefits to those people who live in the area of the
15 undertaking. The logic was that simple.

16 Q. Were there other objectives
17 underlying your analysis that have not been reproduced
18 in your evidence?

19 A. Well, you could say so. Earlier you
20 asked me about aesthetics, for example, and you asked:
21 Did you do any specific studies that would allow you to
22 assess the impact of the various alternatives on
23 aesthetics, and I said: No, we did not do any specific
24 studies and we didn't do them because we felt that to a
25 large extent this was a site-specific problem.

1 However, I think if you would look at the
2 text you will find implicit in our discussion of the
3 alternative certain assumptions that had been made
4 about peoples' response to forest aesthetics, and I can
5 make reference to this if you want another case. If
6 you are asking: Are there other assumptions, I would
7 say: Yes, and I would say they are fairly obvious.

8 We say, for example, under alternative A,
9 private land import on page 65 of the witness
10 statement, that cottagers would not have aesthetic
11 noise or dust concerns related to timber harvesting and
12 transport. It was a pretty basic assumption because
13 those activities weren't there.

14 And I think that if you turn to the next
15 page we say naturalists, canoeists and hikers would
16 favour this alternative, at least in selective areas
17 because it would not result in disruption of aesthetic
18 and wilderness qualities.

19 So we have made some assumptions there.
20 One of the assumptions we have made is that the null
21 hypothesis in this particular case will provide --
22 we've said quite categorically: This will probably be
23 less disruptive in terms of aesthetics than the option
24 timber management. So, yes, there are assumptions here
25 and I think they are quite clear when you read the

1 text.

2 Q. My question is not necessarily
3 directed towards the assumptions, I was thinking more
4 of the underlying objectives that you referred to in
5 your oral evidence last week, and I'm not sure those
6 are set out in your evidence.

7 A. Can you be a little bit more precise?

8 Q. Well, I can't be precise because they
9 are not there. I mean, you spoke of lifestyle, the
10 objective of maintaining certain lifestyle preferences.

11 A. Well, I think I have been fairly
12 clear. I said that there is a range of individuals who
13 choose to live in northern Ontario, the range of
14 interests that they have are represented by those we've
15 discussed relative to the various stakeholder groups.

16 And to the extent that we have been able
17 to create an environment that provides opportunities
18 for people to live and work there, it provides them
19 with the opportunity to participate in activities that
20 are important to their particular lifestyle, and that
21 is the assumption that we have made and the objectives
22 are those of the various stakeholders that we have
23 identified in previous evidence.

24 Q. Well, Dr. Euler, perhaps I can ask
25 you the same question. You've indicated that the

1 underlying objective for wildlife is to maintain viable
2 populations. What are the other underlying objectives
3 for the natural environment?

4 DR. EULER: A. Well, I can speak to the
5 wildlife objectives which is a big component of the
6 terrestrial environment. See, we did already talk
7 about this.

8 We have a number of objectives in the
9 wildlife program, for example we have some quantitative
10 objectives and some other less quantitative objectives,
11 and so when you talk about viable population, that is
12 sort of a baseline minimum objective and we have others
13 as well. Did that answer your question?

14 Q. I don't think so, but perhaps I will
15 try Dr. Allin.

16 A. I will be glad to try again.

17 Q. No. I mean no disrespect by that,
18 perhaps my concern will be evident in this question to
19 Dr. Allin.

20 Now, in your evidence last week you
21 stated that one of the, I guess, underlying assumptions
22 or objectives in relation to the aquatic environment is
23 to avoid any reduction or impairment of the aquatic
24 environment. I think you did say that any reduction in
25 current water quality or fish populations will be

1 viewed as undesirable. Is that the underlying
2 objective?

3 DR. ALLIN: A. Yes, the objective
4 throughout the comparison that we made was in each case
5 to judge the degree of impairment of existing
6 environmental conditions. So, yes, the objective is to
7 maintain existing environmental conditions.

8 Q. Now, keeping in mind those two
9 subject areas, water quality and fish populations, do
10 you have sufficient baseline data available to you
11 today on those two subjects to allow you to compare the
12 effects of the alternatives on achieving that
13 objective?

14 A. I think, as I indicated to Mr.
15 Edwards last week, we certainly do not have much in the
16 way of scientific information about the impacts of
17 alternatives other than timber management. We do have
18 considerable information about impacts of timber
19 management itself that we've discussed in earlier
20 panels.

21 Q. And you are speaking of both water
22 quality and fish populations?

23 A. Yes, that's right.

24 Q. Thank you. Dr. Allin, can I ask you
25 to turn to page 80 of the evidence which is Appendix A,

1 your discussion of aquatic effects.

2 Now, in the third paragraph there is an
3 indication that:

4 "The probable impact of these effects in
5 the aquatic environment is indicated
6 according to one of the following five
7 categories: Very High, High, Medium, Low
8 and Very Low."

9 Stopping right there. What do those
10 mean?

11 A. What do they mean?

12 Q. What is meant by the term 'it is a
13 medium impact'? Was that based on any objective
14 criteria?

15 A. It's a relative level of impact that
16 we assigned looking at this particular group of
17 alternatives.

18 So as I tried to explain in my direct evidence last
19 week, it all comes down to the relative level of impact
20 and whether you think the impacts of one alternative
21 are greater or less than another alternative.

22 Q. Then continuing with that paragraph:

23 "Judgments as to impact are based on the
24 perceived

25 potential for changes in the condition of

1 aquatic

2 ecosystems."

3 Perceived by whom, Dr. Allin?

4 A. Perceived by the authors of this
5 appendix.

6 Q. Now, the use of the word 'perceived'
7 indicates to me that those are essentially subjective
8 judgments and not based on objective criteria; is that
9 correct?

10 A. They are to some extent subjective
11 judgments, but certainly based on our knowledge both of
12 the effects of natural processes and of various timber
13 management activities,
14 so there is -- it's not entirely subjective.

15 Q. Well, I'm still wondering, Dr. Allin,
16 why this ranking couldn't or wasn't done on a detailed
17 quantitative basis. Is it the Ministry's evidence that
18 that kind of analysis can't be done?

19 A. Well, I guess it depends to what
20 extent you're speaking of when you talk about
21 quantitative impacts. I think our evidence in earlier
22 panels was that with respect to timber management the
23 uncertainty about effects of timber management
24 activities primarily relates to the magnitude of the
25 effect.

1 Using that word 'magnitude' in a fairly broad sense.

2 Now, we do know in most cases the
3 direction of the effect; so we know whether, for
4 example, nutrients or water temperature are likely to
5 increase, and so having that knowledge and then looking
6 at scenarios under the alternatives allows us, I think,
7 to make some pretty reasonable judgments as to whether
8 impacts are going to be greater or less.

9 Q. Dr. Allin, that episode you just gave
10 is found on page 81 of the witness statement. In the
11 third bullet there is an indication that:

12 "Effects are likely to be negative on
13 balance, but the magnitude of the effects
14 are uncertain."

15 The next paragraph indicates:

16 "Existing mitigative measures probably do
17 not reduce water yield of peak flow
18 effects to any significant degree."

19 Dr. Allin, does that mean that existing
20 mitigative measures do not effectively address peak
21 flow effects which you have said are likely to be
22 negative?

23 A. I would say that the fish habitat
24 guidelines are probably not very effective in
25 mitigating any water yield effects to any great degree.

1 Now, there may be exceptions to that.
2 Water yield effects are most likely to occur where a
3 very substantial portion of a watershed is cut and so
4 in, for example, headwater areas where for the most
5 part we do apply the fish habitat guidelines in the
6 sense of maintaining reserves on small headwater
7 streams, the guidelines may actually have a mitigative
8 effect simply because it could prevent a large part of
9 the watershed from being cut.

10 Q. Okay, thank you.

11 A. If I am making that clear.

12 Q. That's right, and you answered my
13 next question.

14 Mr. Duncanson, can I turn to you briefly
15 and I would like to explore some of your evidence on
16 recycling.

17 Now, Mr. Duncanson, I have reviewed the
18 CV that you filed in relation to Panel 5 and I can find
19 no practical experience that you have had in waste
20 management or waste reduction or waste recycling
21 fields. Can you please elaborate on the expertise that
22 you have acquired in those areas?

23 MR. DUNCANSON: A. Well, I could list
24 you the recycling mills I have toured and studied. I
25 am a forester. From my CV you will see that I took

1 quite a bit of chemical chemistry, wood chemistry in
2 particular.

3 There isn't a recycle plant in Ontario
4 that I have not been through, there isn't a recycle
5 plant in Canada that I have not been through. I have
6 been involved in the financing of one of the new
7 projects. You know, is that sufficient for your --

8 Q. Well, I am not sure if that is
9 sufficient.

10 A. Okay. Well --

11 Q. I don't intend to raise it any
12 further, I am just curious as to your particular
13 expertise --

14 MR. LINDGREN: I am not challenging his
15 qualifications as an expert witness, Mr. Chairman.

16 MR. FREIDIN: All right.

17 MR. LINDGREN: But I am wondering about
18 the weight that it should be accorded and I am
19 wondering about the particular expertise the he has
20 acquired in the area of recycling. I am not sure that
21 merely touring mills is necessarily the best
22 qualification.

23 MS. BLASTORAH: Well, Mr. Chairman, if
24 the purport of his question is in fact to challenge the
25 qualification to the extent that any weight may or may

1 not be given, I think Mr. Duncanson should be given a
2 full opportunity to fully explain his qualifications
3 now that the issue has been raised and any doubt has
4 been cast on whatever weight is to be given to his
5 evidence.

6 THE CHAIRMAN: Go ahead, Mr. Duncanson,
7 tell us what you know about recycling.

8 MR. LINDGREN: Without repeating the
9 evidence. Mr. Chairman, if I could reframe the
10 question, it's not what he knows about recycling, it's
11 how he acquired that knowledge.

12 MR. DUNCANSON: How I acquired it? Well,
13 it started back in 1970 in my forestry career, quite
14 involved in, you know, fiber characteristics and wood
15 properties. Of course, recycling is relatively new, I
16 am relatively young.

17 Starting from, you know, my experience in
18 the industry which was ten years following my
19 graduation from forestry, my first involvement was with
20 my -- the company I worked with was Noranda, properly
21 Northwood Mills in those days. I was quite involved in
22 the Thorold plant, the Frasser.

23 Following my work with Noranda I went
24 into the investment industry. My first real
25 involvement there was with a company called -- we did a

1 public issue when I was at McLeod, Young, Weir which
2 was taking paperboard industries public, paperboard
3 industries illustrated on Table 3. They are probably
4 the largest waste paper end user in Canada, they have
5 plants across Canada including Ontario. I visited each
6 one of those plants at least a dozen times, very
7 familiar with the processes used in their production.

8 Second -- third year in the investment
9 business I was involved in the acquisition of Belkin
10 Industries by Paperboard Industries which was basically
11 the largest waste paper end user buying out the second
12 end waste paper end user. So I got quite a bit of
13 experience on that.

14 In the more recent past, over the last
15 two years, I have been involved in giving financial
16 advice to one of the major bankers of the Atlantic
17 Packaging plant which is going up in Whitby. I have
18 been involved in discussions with -- one of my clients
19 is the American Newspaper Publishers Association and I
20 have been quite involved in discussing with those
21 people where supply was and where the end markets would
22 be.

23 See, where are we now.

24 Q. Perhaps, if I can just --

25 MR. FREIDIN: I think I would like him to

1 continue, please.

2 MR. DUNCANSON: I have detailed
3 discussion with CP Forest on the financing of the
4 particular de-inking line here. I have been involved
5 considerably with Southeast paper which is a major
6 recycler in Dublin, Georgia.

7 I have studied in the past six months no
8 less than eight recycling projects in North America,
9 some of which have been in the southern Ontario market.
10 I can't -- I am not at liberty to mention some of those
11 names, since they are confidential, and I expect over
12 the course of the next 12 to 14 months to be very
13 actively busy on the --

14 MR. LINDGREN: Thank you for that update.
15 I was genuinely curious as to the background. I think
16 that curiosity has been satisfied, Mr. Chairman.

17 Q. Now, you mentioned you have in the
18 past few months toured a number of mills. Now, I
19 assume that that tour was related to the compilation of
20 your evidence for this panel?

21 MR. DUNCANSON: A. That is correct.

22 Q. Now, how exactly did you go about
23 gathering the information for this panel, did you
24 contact industry?

25 A. Yes.

1 Q. Speak to industry?

2 A. Yes, I spoke to all of the companies
3 listed on Table 3, I toured a number of the plants that
4 I had not toured beforehand, for instance the Domtar
5 plant which is -- which we all fly over tonight on the
6 way back into Toronto and, you know, I toured some of
7 the other plants that I had not previously gone through
8 in my previous work experiences.

9 I questioned them as far as their raw
10 material consumption, I questioned them as to new
11 product development, and I verified statistics that I
12 had obtained through various other industry interviews,
13 as well as association interviews.

14 Q. Thank you. Now, aside from your
15 study that was commissioned by the Ministry of Natural
16 Resources, are you aware of any other Ministry studies
17 that have looked at recycling option, or more
18 particularly, on ways to make recycling, wood fiber more
19 feasible in northern Ontario?

20 A. No, I am not aware of any other
21 government -- Ontario Government studies.

22 Q. Ontario Government studies, not just
23 Ministry?

24 A. I mean Ministry studies, sorry.

25 MR. LINDGREN: Is that the evidence of

1 this panel, Mr. Freidin?

2 MR. FREIDIN: The evidence of this panel
3 on which we are going to rely in terms of recycling has
4 been led, and that is the evidence we are going to rely
5 on in this hearing.

6 MR. LINDGREN: Q. Mr. Duncanson, does
7 the Ministry to your knowledge have any policies or
8 directives concering the conservation, reuse or
9 recycling of wood fiber?

10 MR. DUNCANSON: A. No, not aware of any.

11 Q. Has the Ministry undertaken any study
12 to determine if the supply of domestic waste paper will
13 increase in the next few years or in the next decade?

14 A. No, I am not aware of any.

15 Q. Mr. Duncanson, are you aware of --

16 A. Other than my own study that I did.

17 MS. BLASTORAH: That was my point, Mr.

18 Chairman.

19 MR. LINDGREN: Q. Are you aware of any
20 Ontario Government initiatives for waste reduction or
21 waste recycling that are on the horizon and that may
22 affect the future supply or demand of waste paper in
23 this province?

24 THE CHAIRMAN: Well, are you talking
25 about waste management strategies of, say, the Ministry

1 of the Environment for instance?

2 MR. LINDGREN: If it has a potential
3 effect on future demand and supply of waste paper or
4 paper products. I mean, if there are initiatives that
5 are going to stimulate the demand for recycled material
6 such as paper and paper products, that is going to
7 have --

8 THE CHAIRMAN: Well, Mr. Lindgren, I mean
9 there -- every waste management plan, I would suggest,
10 that is under consideration today by any municipality
11 has to look to some extent to the recycling side of
12 things because of its impact on landfill sites.

13 And to the extent that there are policies
14 or studies with respect to any geographic area as to
15 what are they going to do with the amount of paper that
16 they may or may not be required to landfill, certainly
17 those studies would have perhaps an indirect impact on
18 wood fiber since wood fiber is one of the main
19 ingredients of producing the paper in the first place.

20 But I mean those studies, they probably
21 exist, they are probably in various stages because
22 waste management planning for some of the master waste
23 management plans are in various stages of compilation
24 right now.

25 So I don't know -- there are studies out

1 there. Whether you are specifically aware of a
2 specific study with respect to a specific municipality,
3 I don't know if that is a fair question.

4 MR. LINDGREN: That's not the question.

5 Q. My question is, has he had regard for
6 those other initiatives that are underway in drafting
7 your evidence?

8 MR. DUNCANSON: A. Yes, I have, and I
9 think it's evident in the evidence package, and I refer
10 to the second bullet on page 57 of the witness
11 statement where I have done quite an in-depth analysis
12 of the blue box program which is really the only
13 vehicle that will be introduced for recovery of
14 recycled material in the Province of Ontario, and it
15 seems to be pretty popular because there are a hundred
16 other communities that have adopted a similar strategy.

17 Q. Well, in addition to the blue box
18 program you spoke of certain American legislative
19 initiatives regarding recycled newsprint content?

20 A. The American legislation is not
21 dealing with recycling, it's dealing with mandatory
22 legislation on the use --

23 Q. That's why I said recycled newsprint
24 content.

25 A. Yes.

1 Q. You looked at that?

2 A. Yes.

3 Q. I think that was clear from your
4 evidence.

5 A. Yes.

6 Q. Are you aware of any other American
7 legislative initiatives that relate to recycling of
8 paper?

9 A. Other than the ones I have alluded
10 to, no, that's it.

11 MS. BLASTORAH: Mr. Chairman, if Mr.
12 Lindgren has something specific that he wants to put to
13 the witness, it might expedite this if he says that he
14 has some specific legislation he's thinking of.

15 THE CHAIRMAN: I mean, the indication is,
16 Mr. Lindgren, that there are some studies out there
17 that this particular witness hasn't looked at.

18 MR. LINDGREN: I think there's more than
19 just studies he didn't look at and precisely the line
20 of questioning that I want to explore.

21 THE CHAIRMAN: Okay. Well, ask him more
22 directly the question so he can say: Yes, I looked at
23 it, or: No, I didn't look at, and we don't have to
24 beat around the bush.

25 MR. LINDGREN: Q. Mr. Duncanson, did you

1 look at any American legislative initiatives that
2 relate to government procurement policies; i.e.,
3 policies that require the purchase of paper with
4 recycled content?

5 MS. BLASTORAH: We heard evidence about
6 that.

7 THE CHAIRMAN: We had evidence on that,
8 the three states had mandatory requirements, as I
9 recall.

10 MR. LINDGREN: That was newsprint, Mr.
11 Chairman. Now, I am talking about fine office paper.

12 MR. DUNCANSON: No, the legislation that
13 was passed in those three states concerned other
14 recyclable materials as well too.

15 It was just -- you know, the newsprint
16 was identified as a product, but there are other -- if
17 you read those bills, especially the one in
18 Connecticut, it deals with waster paper period. They
19 don't care if it goes into newsprint production or
20 tissue paper production.

21 MR. LINDGREN: Q. I was specifically
22 referring to statutes that require government
23 purchasing agencies to purchase fine office paper with
24 recycled content. I don't think that was discussed in
25 your evidence.

1 MR. DUNCANSON: A. It was covered as
2 part of one of the governments that were considering
3 certain legislation.

4 Q. It would not be -- certainly your
5 evidence would not be characterized as an exhaustive
6 review of all such statutes if you are only referring
7 to the Connecticut statute.

8 MS. BLASTORAH: That wasn't his evidence,
9 Mr. Chairman. He talked about more than the
10 Connecticut statute.

11 MR. LINDGREN: I am speaking here of
12 government procurement policy, Mr. Chairman, not
13 specifically newsprint recycled content legislation.

14 MR. DUNCANSON: No, I have studied --
15 continually monitor government policy regulations.

16 MR. LINDGREN: Q. What about
17 jurisdictions that have enacted or are about to enact
18 landfill bans on recyclable material such as paper and
19 newsprint and cardboard. I take it you're aware that
20 such bans exist?

21 MR. DUNCANSON: A. Mm-hmm. I haven't
22 heard of any law that has actually been passed yet.

23 Q. What about certain of the bylaws in
24 southern Ontario among some of the regional
25 municipalities?

1 A. I haven't seen any legislation passed
2 on that as yet either.

3 Q. Very well. What about the issue of
4 rising landfill tipping fees; did you look at that, and
5 where do we see that discussion in your evidence?

6 And perhaps I should back that up.
7 Certainly that phenomenon will cause more interest than
8 recycling would in paper and paper products, the
9 phenomenon of increasing landfill tipping fees?

10 A. Well, sorry, could you repeat that
11 again?

12 Q. There are jurisdictions, I think you
13 can confirm, where landfill tipping fees are on the
14 increase, dramatic increase and that, presumably, will
15 result in more interest in recycling wood and paper and
16 paper products?

17 A. Well, I think it's evident from the
18 introduction of programs such as the blue box program.

19 Q. The blue box program is separate and
20 distinct from the issue of landfill tipping fees. I am
21 wondering where you specifically address that, if at
22 all?

23 A. Well, it's in the background of my
24 presentation the other day. I was saying that we are
25 dealing with basically not a conservation issue, we are

1 dealing with a landfill issue. That was my first
2 comment on my presentation.

3 MR. LINDGREN: I will move on, Mr.
4 Chairman, to two other initiatives and then perhaps we
5 will leave that.

6 MS. BLASTORAH: Mr. Chairman, I would
7 also just rise because I have heard Mr. Lindgren give
8 some evidence here, and I am not sure our witness has
9 agreed with it, to the extent that tipping fees for
10 landfill sites are increasing.

11 You know, whether or not Mr. Duncanson
12 agrees with that or not, I assume to the extent that he
13 doesn't, Mr. Lindgren will be calling evidence in his
14 own case to support that.

15 MR. LINDGREN: That can be proved and
16 fairly readily, Mr. Chairman.

17 MR. CASSIDY: I think that's irrelevant.

18 MR. LINDGREN: It's highly relevant, Mr.
19 Chairman.

20 Q. In any event, Mr. Duncanson, are you
21 familiar with the term waste audits?

22 MR. DUNCANSON: A. I have heard the term
23 used.

24 Q. And do you understand what that term
25 means?

1 A. I would take it it would be the same
2 as auditing a company's financial records, but I am not
3 familiar with any particular document entitled a waste
4 audit.

5 Q. Are you aware, Mr. Duncanson, that
6 some jurisdictions in the States are now in the process
7 of requiring or in fact have required mandatory waste
8 audits for certain large private sector companies?

9 A. As I mentioned to you before, I am
10 monitoring legislation that has passed. I don't have
11 the time to follow legislation that is under
12 consideration. I am not aware of any legislation in
13 the U.S. that has been passed dealing with waste audit.

14 Q. That is your evidence?

15 A. I am not sure of any jurisdictions.
16 I am not aware of any.

17 Q. Very well. And, finally, what about
18 various packaging initiatives that have been proposed
19 across this continent, initiatives that may ban or tax
20 certain forms of overpackaging or initiatives that ban
21 or tax forms of packaging unless they are recycled or
22 recyclable?

23 A. Or returnable.

24 Q. Or returnable?

25 A. Well, that's how the blue box

1 started. The blue box program that we have in Ontario
2 was started basically by the soft drink manufacturers
3 in conjunction with the soft drink container
4 manufacturers in allowing the 60/40
5 returnable/non-returnable law to be eased.

6 Q. I am familiar with that regulation,
7 Mr. Duncanson. Are you aware of any other packaging
8 initiatives that may have an effect on the demand for
9 or supply of waste paper or waste wood?

10 A. No.

11 Q. Okay. Can I ask you to turn to
12 Exhibit 988.

13 Exhibit 988 is the set of overheads for
14 your evidence, and on page 3 of this document, Mr.
15 Duncanson, there is an indication that recycling isn't
16 capable of supplying the needs of the forest industry.
17 I would suggest respectfully that this statement misses
18 a point.

19 Isn't it true that recycling can supply
20 some or a good portion of the needs of Ontario
21 residents and that this may in fact reduce the need to
22 process raw fiber.

23 A. No, in my analysis I disagree with
24 that statement.

25 Q. Okay. Can I ask you to turn to

1 Exhibit 988A which is your update for Table 3 and Table
2 4. Now, at the bottom of page 1 of this exhibit you
3 indicate that there are three new mills that will be
4 coming on stream in 1990-91.

5 Can you confirm that when they do come on
6 stream that these plants will increase our current
7 waste paper consumption by at least one third?

8 A. Yes, they will.

9 Q. What, in your view, is going to occur
10 over the next few years or decade in terms of the
11 construction of additional mills capable of processing
12 waste paper?

13 A. I believe that the addition of new
14 capacity to consume waste papers is totally -- is
15 directly proportionate to the amount of paper we
16 consume in our own jurisdiction, and I think that the
17 capacity is going to be very limited.

18 And as I indicated in the balance sheet
19 on Table 4 really that, in effect, if we were to
20 consume or collect all of our waste paper needs
21 domestically, we would have a recovery rate of 35 per
22 cent.

23 And, as I indicated, and I refer to some
24 of the interrogatories that were filed, OFAH, that we
25 have filed - I can't remember the specific number on

1 it - but it was the one where I did quite an in-depth
2 analysis on what has happened in some of the
3 jurisdictions such as Japan where you do have a very
4 high recovery rate, and the indications from that
5 analysis is that your maximum recovery rate is about 50
6 per cent.

7 So in answer to your question, over the
8 next decade or so, seeing as though we are physically
9 at 35 per cent, the growth in recycling will be fairly
10 limited.

11 Q. Okay, thank you.

12 MR. CASSIDY: That interrogatory number
13 is 32 from the Anglers & Hunters, Mr. Chairman.

14 MR. LINDGREN: Q. Mr. Duncanson, can I
15 ask you to turn to the second page of Exhibit 988A,
16 this is your update of Table 4.

17 Now, reading on the right-hand column,
18 you indicate halfway through that column that:

19 "The total production of paper and
20 paperboard in this province is
21 approximately 4.2-million metric tonnes."

22 And then you indicate that approximately
23 2.2-million metric tonnes are exported or approximately
24 50 per cent of what we produce is exported. Is that
25 correct, Mr. Duncanson?

1 MR. DUNCANSON: A. It's 54 per cent.

2 Q. Thank you. And how much of that
3 percentage is going to the United States?

4 A. We broke down the exports in Panel 5.
5 A very large proportion of that is going to the United
6 States.

7 Q. Thank you.

8 A. We put out the exact percentage
9 numbers in Panel 5.

10 MR. LINDGREN: Mr. Chairman, I would like
11 to file as the next exhibit an article in the Times
12 News dated Thursday, December 28th, 1989.

13 THE CHAIRMAN: 1005.

14 MR. LINDGREN: (handed)

15 ---EXHIBIT NO. 1005: Article published in Times News
16 dated December 28th, 1989.

17 MS. BLASTORAH: Mr. Chairman, I only
18 point this was not provided to the Board and the
19 witnesses. Obviously since I didn't have this prior to
20 this, Mr. Duncanson may require some time to review it.
21 I don't know whether he's familiar with it or not. I
22 am not familiar with it.

23 MR. DUNCANSON: I would like a minute to
24 read it.

25 THE CHAIRMAN: How long have you got to

1 go, Mr. Lindgren?

2 MR. LINDGREN: I'll go to 2:59.

3 Q. Mr. Duncanson, have you read this
4 article?

5 MR. DUNCANSON: A. Yes.

6 Q. Okay. There are a few paragraphs I
7 would like your opinion on. The second paragraph
8 indicates that Abitibi-Price was expected to be the
9 first company with recycling operations in northwestern
10 Ontario, but in effect CP has beaten them to the punch.
11 And the CP plant is what we find referenced in your
12 paper or in your Exhibit 988A; is that correct?

13 A. Well, I read the second paragraph
14 differently then.

15 Q. Well, I was going beyond that.

16 A. Well...

17 Q. My question is this: We don't see
18 reference to the Abitibi proposal in Exhibit 988A. And
19 two questions: Were you aware of this proposal and why
20 wasn't it reflected in your Table 3 update?

21 A. I still don't think you are reading
22 paragraph 2 right. Abitibi-Price was expected to be
23 the first company with operations in northwestern
24 Ontario. That is true, they do have operations in
25 northwestern Ontario.

1 To say how and when and where it would
2 begin recycling, Abitibi has announced that they are
3 going to build a de-inking line in Augusta, Georgia.

4 Q. In other words, Abitibi is not
5 building or proposing to build a mill here in Thunder
6 Bay?

7 A. That would be totally speculative on
8 my part to guess if they were or not. I think the
9 article is quite wrong. Abitibi has announced that
10 they are building a de-inking line in Augusta, Georgia.

11 Q. Be that as it may, can I ask you to
12 look at the right-hand column up at the top, and they
13 are speaking of economies of scale and the costs
14 associated with transporting newsprint from other
15 jurisdictions to Thunder Bay.

16 And in the second last paragraph of that
17 column is there is an indication that it may be in fact
18 economically feasible to bring in that newsprint by
19 water transport. In your opinion --

20 MS. BLASTORAH: Sorry, where on the page?

21 MR. DUNCANSON: Where does it say
22 economically feasible?

23 MR. LINDGREN: Q. Right-hand column,
24 middle of the fourth paragraph:

25 "But in principle, the idea of low-cost

1 backhaul by water is said by John
2 Gustavson, a senior Abitibi public
3 relations official, to be feasible
4 enough."

5 I assumed he means economically feasible.
6 My question to you is: There is at least an indication
7 from an industry representative that it is feasible.
8 Do you have evidence to the contrary?

17 9 A. I don't think the article is very
10 explicit on some of the other costs that I identified
11 in my lead. The transportation cost is a very -- you
12 know, is a component of your overall cost of the waste
13 paper.

14 But what has been evidenced -- and I have
15 read other articles by the Times News in Thunder Bay
16 and one of the reasons they don't want to get into a
17 recycling program even in the city here is the
18 extremely high collection cost. On top of the
19 collection costs, you have extremely high sorting and
20 baling costs.

21 As far as I can see from this article,
22 they have got a fairly good freight rate of \$25, what
23 about the 65- to \$100 it is going to cost to collect
24 it, what about the 35- to \$40 it is going to cost to
25 sort it. So I still contend that it's -- utilizing

1 waste paper is quite expensive.

2 Q. And it is not feasible for northern
3 Ontario?

4 A. No, I don't think it's feasible for
5 northern Ontario.

6 Q. Okay, thank you. Mr. Bisschop, can
7 we turn quickly to your evidence on Document No. 2.
8 Can you confirm for me, Mr. Bisschop, that there are a
9 number of approved Class EAs in place in this province?

10 MR. BISSCHOP: A. Yes, that's correct.

11 Q. Can you confirm that some 20 exist in
12 this province?

13 A. I'm not exactly sure of the number,
14 but I think that's in the order.

15 Q. Is that the range?

16 A. Yes.

17 Q. Have you read any of them?

18 A. I've read a number of them. I'm
19 familiar with many of them, MNR's Class EAs, I am
20 familiar with Hydro's Class EAs, municipal Class EAs,
21 not in great detail but certainly in terms of the
22 approaches.

23 Q. And I believe the evidence to this
24 point suggests that you helped draft this Class EA, the
25 MNR Class EA for timber management?

1 A. That's correct.

2 Q. And I assume that prior to the
3 preparation and submission of this Class EA you read
4 the 1981 MOE Guidelines for the Preparation of
5 Environmental Assessments?

6 A. Yes, I'm very familiar with --

7 Q. I take it you are familiar with that
8 documentation?

9 A. I am very familiar with them, yes.

10 Q. I would just like to read one quote
11 from it:

12 "For a Class EA document, the description
13 should set out very clearly what will be
14 the range of characteristics of projects
15 covered by the class."

16 MS. BLASTORAH: Has that document been
17 filed as an exhibit?

18 THE CHAIRMAN: I think it was filed as
19 part of the motion; was it not?

20 MR. LINDGREN: A portion was.

21 THE CHAIRMAN: Okay.

22 MR. LINDGREN: The document in its
23 entirety has not been filed. I don't intend to file
24 it.

25 Q. Can you confirm, Mr. Bisschop, that

1 the 1981 guidelines essentially require a Class EA to
2 describe -- pardon me, in the Class EA the description
3 of the undertaking should very clearly set out what the
4 range of the projects will be covered by the class and
5 also that the range of effects be clearly set out as
6 well?

7 MR. BISSCHOP: A. Yes, that's my
8 understanding.

9 Q. So, for example, most approved Class
10 EAs contain a project classification mechanism. Are
11 you aware of that or can you confirm that?

12 A. I'm not -- I'm familiar with that
13 approach in some Class EAs, but I'm not familiar that
14 it is a requirement, if you will, for most Class EAs.

15 Q. It is not a requirement but we see
16 that in many Class EAs?

17 A. Many Class EAs describe the kinds of
18 projects that are covered by the Class EAs, whether
19 they have this mechanism that you are talking about,
20 I'm not sure I could agree.

21 Q. Very well. Did the Ministry consider
22 a project classification scheme for this Class EA?

23 A. No, we identified the activities that
24 would be covered in the class in this Class EA.

25 Q. So when the 1981 guidelines require a

1 description of the projects covered by the class,
2 projects in this context means activities?

3 MR. FREIDIN: They don't require
4 anything, they are simply guidelines.

5 MR. LINDGREN: They are guidelines. Very
6 well.

7 MR. FREIDIN: They help prepare a
8 document.

9 MR. BISSCHOP: We included in the class
10 the description of the activities and indicated that
11 those activities would be carried out in each of the
12 management units in the province as determined through
13 the planning process that applies to those management
14 units.

15 MR. LINDGREN: Q. Would it be feasible,
16 Mr. Bisschop, to use a project classification system
17 that sets out a schedule of these activities, some of
18 which require less rigorous environmental assessment,
19 some of which will require the preparation of an ESR,
20 an environmental study report, and some which require
21 full environmental assessment? Is it feasible to use
22 that kind of approach in this undertaking?

23 MR. BISSCHOP: A. I would simply respond
24 by saying that we considered it feasible to address all
25 of the activities through a class environmental

1 assessment with the necessary planning and
2 documentation requirements through timber management
3 planning.

4 Q. But the project classification
5 system, is that a feasible alternative to the way the
6 Ministry set it out here?

7 A. Well, again, I'm not entirely sure
8 what you mean by project classification system and I'm
9 not entirely sure -- I'm not that familiar with how
10 that subject is addressed in most Class EAs. For
11 example, I am familiar with what was done with Go
12 Transit. We chose not to take that kind of approach.

13 Q. And for what reason?

14 A. Simply that we consider the
15 activities to be frequently recurring across the
16 province to be carried out in the same way across the
17 province, they could be planned in the same way and we
18 have a consistent process by which we plan those
19 activities and a consistent documentation, a
20 requirement ourselves within our own organizational
21 structure, that being a timber management plan that
22 sets out those activities when we've determined where,
23 when and how they will occur.

24 Q. Mr. Bisschop, will you agree that
25 these timber management activities have common names?

1 For example, we know what scarification
2 is, but isn't it true that the effect of these
3 activities will vary greatly across the province on
4 different sites and different conditions, and my
5 question to you is: Therefore, what is the predictable
6 range of effects?

7 A. First of all, I'm not sure that I
8 would say they would vary greatly across the province.
9 We have set out the range of effects in the evidence of
10 previous panels. We have described the various
11 activities, the method of carrying out those activities
12 and the range of effects, we have indicated how we will
13 address those effects through planning.

14 Q. Can I ask you to return to your
15 discussion of bump-up. That was a matter covered in
16 evidence. I will read you another extract in the 1981
17 MOE guidelines and ask you a question on that. The
18 guidelines read:

19 "The Class EA should also describe the
20 criteria and procedures by which the
21 proponent or the public may require a
22 specific environmental assessment to be
23 prepared for a particular project within
24 the class, i.e., bumping it up from the
25 class."

1 Now, in term and condition 25 the
2 Ministry appears to set out its proposed procedure, but
3 there are no specific bump-up criteria suggested by the
4 Ministry therein.

5 A. We've taken the position that anyone
6 can request a bump-up for whatever reasons, we don't
7 ourselves set out any conditional criteria, if you
8 will, on when that opportunity to make the request can
9 be set out.

10 We simply provide the opportunity if
11 someone objects to the proposed activities contemplated
12 or set out in a plan, they can make overtures to the
13 Minister of the Environment to direct that an
14 individual EA be produced and we leave it to the
15 Minister of the Environment to determine a decision on
16 the request.

17 MR. LINDGREN: I would like to file as
18 the next and perhaps final exhibit of the afternoon,
19 Mr. Chairman, a document from the Environmental
20 Assessment Branch entitled: Class Environmental
21 Assessments, Bump-Ups, Exemptions, Designations. It is
22 dated November, 1989. And, again, this is just an
23 excerpt.

24 THE CHAIRMAN: Is that part of the EA
25 PIP--

1 MR. LINDGREN: That's correct.

2 THE CHAIRMAN: --initial phase work?

3 MR. LINDGREN: That's right.

4 THE CHAIRMAN: Are these the background
5 papers?

6 MR. LINDGREN: This is working paper No.
7 3.

8 THE CHAIRMAN: Okay.

9 MR. LINDGREN: (handed)

10 THE CHAIRMAN: Exhibit 1006.

11 ---EXHIBIT NO. 1006: Excerpt from the Environmental
12 Assessment Branch entitled:
13 Class Environmental Assessments,
14 Bump-Ups, Exemptions,
Designations, dated November,
1989.

15 MR. LINDGREN: Q. Mr. Bisschop, this was
16 provided to you previously. You have had an
17 opportunity to read it?

18 MR. BISSCHOP: A. Yes, I've read it.

19 Q. Can I ask you to turn to page 11 of
20 this document, basically the first page in. Without
21 going through the text of this page, can you confirm,
22 Mr. Bisschop, that it would appear that a number of
23 Class EAs have specific bump-up criteria?

24 A. Some do, yes.

25 Q. Given that some do, Mr. Bisschop, why

1 has the MNR chosen not to list specific bump-up
2 criteria in that Class EA? Well, Mr. Bisschop --

3 A. We --

4 Q. Can I --

5 THE CHAIRMAN: Just a moment, let him
6 continue. I think the question has already been
7 answered in response to your previous question, but do
8 you have anything further to say, Mr. Bisschop, as to
9 why you chose specifically not to put in the criteria
10 here, other than indicating that anyone can apply for
11 bump-up on any criteria that they want and it is up to
12 the Ministry of the Environment or the Minister to
13 decide whether or not it has any merit?

14 MR. BISSCHOP: Precisely, Mr. Chairman.
15 I think I said what our position was in Panel 15 and
16 I've simply tried to summarize that again here and I
17 think that sums up our position.

18 MR. LINDGREN: Q. Can I ask you to turn
19 to page 12 of this exhibit and in the right-hand
20 column, middle paragraph, there is a statement that:

21 "The MNR in general includes a list of
22 three

23 situations that may cause a bump-up
24 request:

25 1) definition of project;

1 2) public controversy; and,
2 3) significant environmental impacts.
3 In addition, the procedure lists the two
4 sources
5 that may require bump-up, the public and
6 the
7 proponent."

8 THE CHAIRMAN: What procedure are they
9 talking about; is there a document?

10 MR. LINDGREN: No, the procedure, I
11 understand, is something similar to what is set out in
12 25. Who makes the bump-up request, who decides it,
13 what are the time lines.

14 Q. Now, Mr. Bisschop, I assume this
15 reference must be to MNR's Class EA for Access Roads
16 which does in fact contain bump-up criteria; is that
17 correct, Exhibit 886 in this hearing?

18 MR. BISSCHOP: A. The bump-up mechanism
19 that's in the Class EA for Access Roads to MNR
20 Facilities is the same for all -- I believe it is the
21 same bump-up mechanism for all of MNR's other Class
22 EAs.

23 I'm not sure - and I'm looking for the
24 reference - that we have in those documents singled out
25 items 1, 2 and 3 specifically as 1, 2 and 3. It is

1 probably in the discussion of the paragraph.

2 I would contend in our Class EA, in the
3 Class EA for timber management we say somewhat the same
4 thing in the paragraph on the bottom of page 177 of
5 Exhibit 4 where we say:

6 "If proposed operations may cause
7 significant public controversy or may
8 perceive to cause significant adverse
9 environmental impacts..." and the
10 remainder of the discussion goes on to those, if you
11 will, are criteria for initiating a bump-up request.

12 Q. One final question on bump-up, and
13 that is, I would like to refer you to term and
14 condition 25 and 25(b) indicates that:

15 "Any person with a concern with respect
16 to a timber management plan may initiate
17 the bump-up procedure."

18 And I am wondering what the term 'person'
19 includes; does that include another government agency?

20 A. Yes, it could.

21 Q. Do you see a problem if a bump-up
22 request comes from the Ministry of the Environment
23 given that the Minister is to make the decision?

24 THE CHAIRMAN: Why would the Minister
25 request a bump-up decision?

1 MR. LINDGREN: No, the Ministry. I think
2 it is conceivable that there may be district Ministry
3 staff that may require the bump-up or request a
4 bump-up.

5 And my question is: Is there a problem
6 with that; and, if so, how do we rectify it, given that
7 Mr. Bisschop is the one that has put forward this
8 bump-up procedure?

9 THE CHAIRMAN: Well, I would suggest that
10 that is probably a more relevant question to Ms.
11 Seaborn to put as to how her Ministry would deal with
12 the request -- her Minister would deal with the request
13 from an official of that Ministry.

14 I'm not sure that Mr. Bisschop can really
15 say how the Minister of the Environment would treat a
16 request from his own Ministry.

17 MR. LINDGREN: Very well.

18 Q. One final question on this evidence
19 and I think I will conclude our questioning; and that
20 is, with respect to the amendment procedure that's set
21 out in term and condition 59.

22 Now, Mr. Bisschop, there is obviously a
23 great range in the type of amendments that are
24 possible; they can range from typographical to
25 something more substantive that results in a change to

1 the timber management planning process.

2 I am wondering why the Ministry did not
3 attempt to differentiate between the type of amendments
4 and provide a different process or procedure for each
5 one of them?

6 MR. BISSCHOP: A. I think the basic
7 position we took is that whenever we would want to make
8 a change, we would have to request it, and that covers
9 any possibility from, as you indicated, something
10 relatively minor to something major and it becomes a
11 matter of how that request then is processed I think,
12 where there is some discretion as to the requirements
13 that would further apply.

14 We've simply taken the position that we
15 take the approval seriously and if we ever seek to
16 change that approval we would have to do that through a
17 formal mechanism that starts with the request.

18 Q. Thank you. One final question, Mr.
19 Chairman.

20 MS. BLASTORAH: The final, final
21 question.

22 MR. LINDGREN: The final, final question.
23 That is on the fifth year review.

24 Q. It would appear that the Minister of
25 the Environment when he receives the fifth year review

1 can extend the approval for the undertaking for another
2 period of five years.

3 What doesn't seem clear from the evidence
4 or from page 122 of your witness statement is whether
5 or not the Minister can impose further terms and
6 conditions as a condition to that extension, and would
7 your Ministry have any difficulty if that were required
8 or if that was expressly spelled out in that term and
9 condition?

10 MR. BISSCHOP: A. I think it's -- in his
11 view there will be a review of the original terms and
12 conditions and I think it is possible that new terms
13 and conditions could apply.

14 Q. It seems to me that the only option
15 he has, as I understand the terms and conditions,
16 either he extends or not extends. Should he be
17 expressly given the power to impose terms and
18 conditions in your --

19 THE CHAIRMAN: Again, I think that's a
20 matter for Ms. Seaborn to address, as to what the
21 Minister of the Environment would accept, and she
22 indicated that she was going to be presenting evidence
23 specifically on those issues.

24 MR. LINDGREN: Those are our questions,
25 Mr. Chairman.

1 THE CHAIRMAN: Thank you. We will
2 adjourn until Monday at 8:30 a.m. Thank you.

3 MR. CASSIDY: Mr. Chairman, I noticed
4 that Ms. Devaul is in the room and if I could be so
5 bold as to ask about the timing for next week, because
6 if she has any indication of how long the parties are
7 going to be cross-examining it will greatly assist me
8 in planning for the following week. I understand that
9 Mr. Hanna --

10 THE CHAIRMAN: We did a sort of brief
11 survey at one of the breaks and there is an indication
12 that we could be into re-direct late Tuesday or
13 re-examination late Tuesday or Wednesday.

14 And I don't know how long the
15 re-examination will be, Ms. Blastorah, but presumably
16 we will finish Wednesday some time?

17 MS. BLASTORAH: It will be very short
18 based on the cross-examinations to date, Mr. Chairman,
19 and in fact if we don't finish until very late in the
20 day on Tuesday, I may request the Board's indulgence to
21 re-examine on Wednesday morning on the basis that it
22 would be very, very brief. But I obviously can't
23 address that at this time.

24 THE CHAIRMAN: So we may end up finishing
25 Tuesday night.

1 MR. FREIDIN: And we start clearcuts.

2 THE CHAIRMAN: And we will start
3 clearcuts on Wednesday if necessary.

4 MR. CASSIDY: We would start clearcuts on
5 Wednesday --

6 THE CHAIRMAN: If we can, yes. We intend
7 to sit three days next week, unless something untoward
8 happens.

9 MR. CASSIDY: Thank you Mr. Chairman.

10 THE CHAIRMAN: Thank you.

11 ---Whereupon the hearing adjourned at 3:08 p.m., to be
12 reconvened on Monday, January 22nd, 1989, commencing
at 8:30 a.m.

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